



Daily Report

East Asia

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Daily Report

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FBIS-EAS-88-242

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1 November 1988

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Japan

North Korean Soldier Granted Asylum

OW1612082588 Tokyo KYODO in English 0806 GMT
16 Dec 88

[Text] Tokyo, Dec. 16 KYODO—The Justice Ministry on Friday granted a North Korean military officer who stowed away to Japan on a Japanese vessel in November 1983 a special three-year permit that will allow him to remain in the country.

The move will pave the way for the permanent residency of North Korean Sgt. Min Hong-Ku, who was given a "provisional release" from the Yokohama detention house in November 1987 after he was found to be suffering from mental problems caused by his four-year confinement, according to the ministry.

Min reached Kyushu, southern Japan, on November 1, 1983 aboard the No. 18 Fujisan Maru in order to seek asylum in South Korea. h1

Diplomatic Ties With Micronesia, Marshalls
OW1612092488 Tokyo KYODO in English 0041 GMT
16 Dec 88

[Text] Tokyo, Dec. 16 KYODO—Japan has established diplomatic relations with the Federated States of Micronesia and the Republic of the Marshall Islands, the Foreign Ministry said Friday.

The action was approved at a regular cabinet meeting on Friday morning.

Japanese Ambassador to the United States Nobuo Matsunaga will concurrently serve as envoy to the two countries.

Both the Marshall Islands and Micronesia were formerly trust territories of the U.S. and became its free associations in 1986.

Under the status of free associations, the two countries handle their internal and external affairs but entrust defense and security matters to the U.S.

Visa Pacts With Pakistan, Bangladesh Suspended

OW1512133288 Tokyo KYODO in English 0822 GMT
15 Dec 88

[Text] Tokyo, Dec. 15 KYODO—Japan has formally notified Pakistan and Bangladesh that Tokyo will temporarily suspend agreements that exempt tourists from Pakistan and Bangladesh from requiring visas to enter Japan, the Foreign Ministry said Thursday.

The measure, which was taken to prevent illegal workers without proper visas from entering Japan, will be effective from January 15, the ministry said.

The notification was made through Japanese embassies in Islamabad and Dhaka.

The two countries are likely to shelve visa-exemption measures for Japanese tourists on a reciprocal basis, according to the ministry.

Japan concluded mutual tourist visa exemption agreements with Pakistan in 1960 and with Bangladesh in 1973.

Under the agreements, tourists can stay in each country up to three months without visas.

Illegal foreign workers in 1987 totaled 11,307, up 39.1 percent from 1986, according to Justice Ministry figures. Many of them came from the Philippines, Thailand, Pakistan, China, and Bangladesh.

Migratory Bird Pact To Be Signed With USSR

OW1512125688 Tokyo KYODO in English 0544 GMT
15 Dec 88

[Text] Tokyo, Dec. 15 KYODO—Japan will finally implement a pact with the Soviet Union on protecting migratory birds after a delay of 15 years caused by the stalemated dispute over the Soviet Union's postwar occupation of four northern Japanese islands, the Environment Agency said Thursday.

Foreign Minister Sosuke Uno and his Soviet counterpart Eduard Shevardnadze will exchange ratification documents Tuesday on the treaty to protect 287 species of birds that move between the 2 countries.

Around 80 percent of birds with migration routes through Japan spend the summer in eastern Siberia and other parts of the Soviet Union.

The long-awaited implementation of the treaty, signed in 1973, was made possible following the Soviet Union's revision of a list of endangered birds requiring protection to include two species reportedly found only on Japanese islands east of Hokkaido occupied by the Soviet Union since the end of World War II.

The Soviet Union originally dropped the Japanese golden eagle from the list, and said that the Blakiston's fish-owl was found in areas of the Soviet Union outside the disputed territories of Etorofu Island, Kunashiri Island, the Shikotan Islands, and Habomai Islands.

Japan will revise domestic regulations to include an additional 23 subspecies of the endangered birds proposed by the Soviet Union in a list of animals barred from import and export.

Japan has asked the Soviet Union to protect 29 endangered subspecies, including the short-tailed albatross, the Japanese ptarmigan, and the two birds on the disputed territory.

The implementation of the treaty also paves the way for more joint research and information exchange on migratory birds.

In the past, bilateral exchanges have taken place at the private level between the Wild Bird Society of Japan and the Soviet Academy of Sciences.

Main migratory routes for swans, geese, and ducks go from eastern Siberia over the Kamchatka Peninsula, Sakhalin Island, and northern Hokkaido to Honshu.

Hooded cranes and white-naped cranes fly from eastern Siberia over northeastern China and the Korean peninsula to winter in Kyushu, the southernmost of Japan's four main islands.

Snipes and plovers migrate from eastern Siberia over Hokkaido and Honshu to the Philippines, New Guinea, and Australia.

Shevardnadze is due to arrive in Japan Sunday for 3 days of talks on his first visit here in nearly 3 years.

Obuchi Hails Protection Accord

OW1512201588 Tokyo KYODO in English 0922 GMT 15 Dec 88

[Text] Tokyo, Dec. 15 KYODO—Chief Cabinet Secretary Keizo Obuchi said Thursday a Japan-Soviet agreement on protection of migratory birds symbolizes what the two countries can do through cooperation.

Japan and the Soviet Union were able to reach the accord without harming Japan's position in a decades-long territorial dispute, Obuchi said at an evening press conference. The dispute centers on Soviet postwar occupation of four northern Japanese islands.

Soviet Foreign Minister Eduard Shevardnadze, due to arrive on Sunday for a four-day visit, will exchange ratification documents with his Japanese counterpart Sosuke Uno in Tokyo on Tuesday.

The migratory bird treaty, signed in 1973, has been shelved for the past 15 years because of disagreement over where some of the protected birds nested. Japan opposed a Soviet claim that two species lived only on the Soviet-occupied islands off Hokkaido, Environment Agency officials said.

This time, however, the Soviet Union overcame Japanese objections by dropping one of the two species and acknowledging that the other lives not only on the disputed islands but in other parts of Soviet territory, the officials said.

Cultural Exchange Expanded With USSR

OW1612120688 Tokyo KYODO in English 1037 GMT 16 Dec 88

[Text] Tokyo, Dec. 16 KYODO—Japan and the Soviet Union ended on Friday a two-day meeting on promotion of bilateral cultural exchange after mapping out broad programs, the Foreign Ministry said.

The programs, which will cover some 60 activities in the two years starting next April, were worked out on the basis of a bilateral cultural agreement signed two years ago.

Under the programs, Japan and the Soviet Union will exchange 20 students from each country every year for the first time on a government-to-government basis.

The programs also include the holding of "Japan Week" in Moscow and "Soviet Week" in Tokyo to deepen mutual understanding.

Film festivals will also be held in each country and exchange of academics and young people will be promoted.

Takashi Tajima, head of the Foreign Ministry's Cultural Affairs Department, and Soviet Ambassador to Japan Nikolay Solovyev signed the documents concerning the programs.

Foreign Minister Sosuke Uno and his Soviet counterpart Eduard shevardnadze will exchange the documents next Tuesday along with ratification papers on a bilateral treaty for protection of migratory birds.

Shevardnadze is scheduled to arrive in Tokyo on Sunday for a four-day official visit for ministerial talks with Uno.

Mongolia

Sodnom Sends Message to UN on Human Rights

OW1512234688 Ulaanbaatar International Service in English 0910 GMT 10 Dec 88

[Text] Mongolian Prime Minister Sodnom has sent a message of greetings to UN Secretary General Perez de Cuellar and Chairman of the 43d UN General Assembly session Dante Caputo in connection with the 40 years of the universal declaration on human rights.

Mongolia thinks that in the not-nuclear space era [as heard] it is exclusively vital to implement the ideas of the universal declaration, and in particular the realization of the right of peoples to realize peaceful coexistence. Hence, in its foreign policy, Mongolia proceeds from the acknowledgement of a comprehensive approach to the issue of disarmament, primarily nuclear, and consolidation of international peace and security, including the question of ensuring human rights and energizing international cooperation, the implementation of the ideas,

objects, and principles of the universal declaration, total guaranting of political, social, economic, and cultural rights to its own [word indistinct] have always served and will serve as the most important task of the Mongolian Government.

In conclusion, the Mongolian premier in his message expressed the country's support to the UN activities in the social sphere and the strivings of Mongolia to contribute its share to raising its efficiency.

MPRP Greet Polish United Workers Party
OW1512215388 Ulaanbaatar International in English
0910 GMT 15 Dec 88

[Text] The Mongolian People's Revolutionary Party Central Committee has sent a message of greeting to the Polish United Workers Party Central Committee on the occasion of its 40th anniversary.

It has been noted that the consistent policy of the Polish United Workers Party, aimed at achieving peace and security in Europe and in the world, developing friendly cooperation between states, enjoys support and approval of the peace-loving forces. Ever-expanding and developing fraternal relation and cooperation between the Mongolian People's Revolutionary Party and the Polish United Workers Party has been noted in the message.

Cooperation With Soviet Kirgiziya Develops
OW1512144188 Ulaanbaatar International Service
in English 0910 GMT 9 Dec 88

[Text] Cooperation between Mongolia and Soviet Kirgiziya in industrial and agricultural branches is great. This year, [word indistinct] and planting 25,000 saplings of fruit trees was completed in the great Gobi Preserve in Mongolia's south with the help of Soviet Kirgiziya. These saplings were specially brought to Mongolia from Tian Shan. Many industrial and agricultural enterprises in Mongolia outfitted out with machinery and equipment from Soviet Kirgiziya. [sentence as heard] Now, direct contact between similar enterprises are (?broad).

The [name indistinct] state farm in central Mongolia, for instance, together with the [name indistinct] collective farm is working on the question of developing pedigree cattle. Experts from Soviet Kirgiziya are helping develop vegetable greens in this country.

North Korea

Reagan, Bush Remarks on Military Denounced
SK1612054688 Pyongyang KCNA in English
0418 GMT 16 Dec 88

[Text] Pyongyang December 16 (KCNA)—Reagan, referring to international relations and disarmament at an official press conference a few days ago, said that the

United States should maintain military might and that the possibility of disarmament is not expected unless equilibrium is achieved, according to a report from Washington.

And President-Elect Bush did not conceal his intention to increase military spendings like his predecessor.

This was made plain when an advisor to Bush declared that the plan of Bush to boost military appropriations 12 billion dollars at any cost in the new fiscal year would not change.

These remarks of the U.S. imperialist warmongers are treachery to the desire of the world's people for detente and peace and a brigandish challenge to the consistent efforts of the socialist countries to realize disarmament and ensure peace.

Reagan who gained world wide notoriety has trebled military expenditures and squandered them for war preparations during his tenure of office, saddling the United States with incredible debts of some 3,000 billion dollars and driving the economy to bankruptcy and people to the bottom of destitution.

Yet the new U.S. Administration is going to raise military expenditure still further at the sacrifice of the working people of broad strata by cutting social spendings to the minimum.

This clearly shows that although one president is replaced by another in the United States, the policy of war is carried forward and that "detente" and "maintenance of peace" loudly cried by them are no more than a camouflage to cover up their aggressive nature.

Electronic, Automation Industry Committee Set Up
SK1612000788 Pyongyang Domestic Service in Korean
2200 GMT 15 Dec 88

[Text] The DPRK Central People's Committee decree on establishing the DPRK Committee of Electronic and Automation Industry:

The DPRK Central People's Committee Decides as follows: The DPRK Committee of Electronics and Automation Industry is newly established.

[Signed] Kim Il-song, president of the DPRK

[Dated] 15 December 1988, Pyongyang

Kim Il-song Promulgates Decree
SK1612050888 Pyongyang KCNA in English
0428 GMT 16 Dec 88

[Text] Pyongyang December 16 (KCNA)—The great leader Comrade Kim Il-song, president of the Democratic People's Republic of Korea, promulgated a decree of the Central People's Committee dated December 15 on establishing the Commission of the Electronic and Automation Industry.

Daily Denounces No Remarks at Party Caucus
SK1612053888 Pyongyang KCNA in English
0444 GMT 16 Dec 88

[Text] Pyongyang December 16 (KCNA)—The traitor No Tae-u cried Wednesday that a "front of the whole ruling camp for defence of the system" should be formed to "defend" the "liberal democratic system," according to a report.

At a "party caucus meeting at Chongwadae" he drivelled that his group was being pushed into the defensive by a minority and gave instructions to work out a plan to "organize" the forces for "defence of the system" and "cooperate" with the opposition parties favoring "defence of the system."

This revealed his criminal intention to rally the fascist elements under the cloak of "defence of the system" and thus take a new fascist offensive against the democratic forces and the patriotic people desirous of independence, democracy and reunification and bolster up at any cost the present ruling system which is shaking in face of massive resistance.

Now in South Korea antagonism and confrontation between democracy and fascism is daily growing acute over the probe into the truth behind the "December 12 Army purge coup" and the Kwangju incident and the eradication of the "scandals of the Fifth Republic", and it is tightening the noose around the neck of the No Tae-u group.

And the sharp edge of the struggle is turned to the traitor Chon Tu-hwan and the traitor No Tae-u defending him and to the U.S. imperialists backing them.

Crafty No Tae-u is scheming to inveigle some persons of opposition parties into the "maintenance of the system" by giving them certain official posts and bribes and put down at the point of the bayonet the South Korean people who call for independence, democracy and reunification.

NODONG SINMUN in a commentary today brands No Tae-u's argument for "defence of the system" as an argument for defence of dictatorship by the military fascist forces and an argument for extending his power.

This means that they are going to establish a more brutal military fascist rule by rallying the military fascist forces and launch into an allout reactionary offensive under the slogan of "defence of the system" to suppress at the point of the bayonet the just struggle of the South Korean students and people for independence, democracy and reunification.

Dismissed Samsung Workers Form Protest Group
SK1412233088 Pyongyang KCNA in English
1512 GMT 14 Dec 88

[Text] Pyongyang December 14 (KCNA)—A practice assembly for the reinstatement of dismissed workers of the Samsung electronic zone, an organization of workers dismissed from four companies of the comprador Samsung group including the Samsung electronics and the Samsung electronic tube, was inaugurated on December 11, according to a report.

In the inaugural statement, the dismissed workers charged that the comprador Samsung group was over-driving the workers on starvation wages less than the minimum living cost and obliterating their right to unity through subversive and repressive acts against trade union formation.

They indignantly pointed out that a large number of workers have been unreasonably dismissed this year, too, owing to the dastardly acts of the comprador capitalists.

Nationwide Rallies Held in South 12 December
SK1512220288 Pyongyang KCNA in English
0437 GMT 14 Dec 88

[Text] Pyongyang December 14 (KCNA)—Anti-"government" rallies and demonstrations were held by students across South Korea on December 12 in connection with the lapse of nine years since the Chon Tu-hwan-No Tae-u clique staged the December 12 "Army purge coup" to seize military power under the manipulation of U.S. imperialism, according to a report.

Students of Seoul University in a resolution adopted at a "rally to punish the chief culprits of the December 12 revolt" said "the December 12 coup was a prelude to the Kwangju massacre." They demanded that the chief culprits of the December 12 revolt who usurped power with the mobilization of Army be punished without fail.

After the rally they staged a demonstration.

Students of Hanyang University held a mock funeral of the chief culprits of the December 12 revolt.

Students affiliated with the Taegu District Council of Student Representatives held "a rally of citizens and students to denounce the December 12 coup" at the

plaza of Taegu railway station and staged a demonstration, shouting "punish chief culprits of the December 12 revolt" and "down with dictatorial government."

Students in Chonju held a rally to punish the chief culprits of the December 12 revolt and staged a street demonstration for three hours, chanting slogans "Promptly arrest Chon Tu-hwan" and "No Tae-n, step down."

South Students Protest Increase in Fees
SK1612102788 Pyongyang KCNA in English
1022 GMT 16 Dec 88

[Text] Pyongyang December 16 (KCNA)—Some 50 student representatives of Seoul, Chonnam and nine other universities in South Korea staged a sit-down against the raise of registration fees in front of the building of the puppet Ministry of Education at noon on December 13, according to a report.

They expressed indignation at the fascist clique's unilateral decision to increase registration fees and denounced it as an act of denying opportunity of equal education.

They held that the question of registration fees should be discussed and decided upon at a consultative meeting attended by professors, students and their parents.

Daily Denounces Israeli Attack on Beirut Coast
SK1512043688 Pyongyang KCNA in English
0432 GMT 15 Dec 88

[Text] Pyongyang December 15 (KCNA)—NODONG SINMUN today denounces the surprise attack of the Israeli aggressors on the coast south of Beirut as an open violation of the sovereignty and territorial integrity of Lebanon and a vicious criminal act designed to block the Palestinian people's cause of justice.

The news analyst says:

The Israeli Zionists are aggressors hell-bent on territorial expansion. They foolishly dream of establishing a "great empire of Israel" in the Middle East. That is why they ceaselessly commit aggression and provocation against the neighbouring countries and refuse to withdraw from the occupied Arab lands.

In the recent barbarous attack, they sought to frighten the Lebanese people, put down the growing anti-Israeli sentiments and realise their aggressive designs on Lebanon.

They intend to block the righteous struggle of the Palestinian people and keep hold on the occupied Arab lands for ever at all costs. Therefore, they are engaged in murder and repression of the Palestinians in the occupied lands and other parts as well. The recent air raid by Israel was part of those moves.

The Israeli aggressors are the cancer to peace in the Middle East and a heinous enemy of the Arab people.

Their desperate acts against the Arab people will only land themselves in greater international isolation.

They should look straight at the trend of the times and act with discretion.

'Hostile' Japanese Attitude Toward DPRK Noted
SK1612102088 Pyongyang KCNA in English
1012 GMT 16 Dec 88

["Japanese Reactionaries Scheme To Set Out on Aggression With Sharp Sword"—KCNA headline]

[Text] Pyongyang December 16 (KCNA)—Commenting on more undisguised moves of the Japanese reactionaries for militarization and reinvasion this year, NODONG SINMUN today says: The world peace-loving people, the Asian people in particular, cannot but heighten vigilance against them.

The author of the article says:

The Japanese reactionaries, who are keen on realising their wild desire of military reinvasion by availing themselves of the U.S. imperialists' Asian strategy, took new steps one after another this year to put fresh muscles into the Japan-U.S. military alliance, while hastening military buildup and armament expansion.

The article goes on:

What is new in the reinvasion moves of the Japanese militarists this year is that they have invigorated external activities unprecedentedly, crying louder than ever before for Japan's "international role".

This new move was motivated by the attempt to widen the road of aggression overseas at the request of the Japanese monopoly capital expanded to the limit. What the Japanese reactionary ruling quarters seek is to make Japan's global presence a fait accompli and strengthen its position and influence in the world political arena and thereby craftily pursue their militarist reinvasion policy, while settling international problems in their favour.

They are becoming more undisguised in their hostile policy against the Democratic People's Republic of Korea, while intensifying aggressive conspiracy with the South Korean puppet clique within the framework of the U.S.-Japan-South Korea triangular military alliance.

They are also making every effort to create "two Koreas" through "cross contacts" and "cross recognition" by zealously joining and in the splittist "northern policy" brought forward by the South Korean puppet clique according to a script of the U.S. imperialists and even assuming the "role of a bridge" in it. In so viciously working to create "two Koreas" together with the U.S. imperialists, the Japanese

reactionaries chiefly aim at perpetuating the division of Korea at any cost and steadily aggravating the tension on the Korean peninsula, thus creating an opportunity for militarist reinvasion.

Polish Delegation Arrives for Joint Meeting
SK1612105788 Pyongyang KCNA in English
1036 GMT 16 Dec 88

[Text] Pyongyang December 16 (KCNA)—A government delegation of the Polish People's Republic headed by Janusz Patorski, vice-chairman of the Council of Ministers of Poland, arrived here today to attend the 12th meeting of the inter-governmental economic and scientific-technological consultative Committee of the Democratic People's Republic of Korea and the Polish People's Republic.

It was met at the airport by Vice-Premier Cho Se-ung and Polish Ambassador to Korea Mieczyslaw Dedo.

Kim Il-song Greet Nicaraguan President
SK1612041088 Pyongyang KCNA in English
0401 GMT 16 Dec 88

[Text] Pyongyang December 16 (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, Tuesday sent a message to Comrade Daniel Ortega Saavedra, president of the Republic of Nicaragua, in reply to his message of solidarity supporting the new package peace proposals put forward at a joint meeting of the Central People's Committee, the Standing Committee of the Supreme People's Assembly and the Administration Council of the DPRK.

The reply message says that the active support of the Nicaraguan party, government and people greatly encourages the Korean people in their efforts for the independent and peaceful reunification of the country.

The message expresses the belief that the friendly and cooperative relations between the two countries will further expand and develop through the common struggle for independence against imperialism.

Kim Yong-nam Greet Bangladesh Counterpart
SK1612043088 Pyongyang KCNA in English
0413 GMT 16 Dec 88

[Text] Pyongyang December 16 (KCNA)—Foreign Minister Kim Yong-nam sent a message of greetings to Anisul Islam Mahmud upon his appointment as foreign minister of the People's Republic of Bangladesh.

Expressing the belief that the friendly and cooperative relations between the two countries will grow stronger and develop, the message wishes him fresh success in his responsible work.

WPK Sends Greetings to Uruguay Communist Party
SK1512103588 Pyongyang KCNA in English
1022 GMT 15 Dec 88

[Text] Pyongyang December 15 (KCNA)—The Central Committee of the Workers' Party of Korea sent a message of greetings on December 14 to Rodney Arismendi and Jaime Perez upon their election as chairman and secretary-general of the Central Committee of the Communist Party of Uruguay.

Expressing the belief that the excellent relations of friendship and cooperation forged between our two parties would further strengthen and develop in the future, the message says: We wish you great success in your responsible work to implement the decisions of the 21st congress of your party.

Greet Panama Party Congress
SK1512104188 Pyongyang KCNA in English
1024 GMT 15 Dec 88

[Text] Pyongyang December 15 (KCNA)—The Central Committee of the Workers' Party of Korea sent a message of greetings on December 15 to the third congress of the Democratic Revolutionary Party of Panama.

The message says the Democratic Revolutionary Party of Panama has waged a persistent struggle for the independent and democratic development of the country and vital interests of the masses of the working people, tiding over the U.S. imperialists' moves of interference and aggression in the past.

We, it states, express the belief that the third congress of your party will make a great contribution to the just struggle of the Democratic Revolutionary Party and people of Panama to defend the sovereignty of the country against the U.S. imperialists' moves of aggression.

Believing that the relations of friendship and cooperation between our two parties will grow stronger and develop in conformity with the idea of independence, friendship and peace, we express firm solidarity with you in the struggle against the U.S. imperialists' interference and for defence of national dignity and sincerely wish your party congress excellent success in its work.

Veterans Group Leaves for Mongolia
SK1612054188 Pyongyang KCNA in English
0429 GMT 16 Dec 88

[Text] Pyongyang December 16 (KCNA)—A delegation of the Korean committee of anti-imperialist veteran fighters headed by its vice-chairman Colonel General of the Korean People's Army Kim Song-kuk left here yesterday to visit Mongolia.

The delegation was seen off at Pyongyang railway station by vice-chairman of the committee KPA Colonel General Kim Yong-yon and Mongolian Ambassador to Korea Perenlein Urjinlhundeb.

Telecommunication for Youth Festival Begun
SK1412232488 Pyongyang KCNA in English
1507 GMT 14 Dec 88

[Text] Pyongyang December 14 (KCNA)—The telecommunications department of the Korean preparatory committee of the 13th World Festival of Youth and Students is dynamically pushing ahead with the preparations for a successful festival.

It directs efforts to the expansion of networks of communications and modernisation of their facilities to properly guarantee the commanding of the functions and international telephone and telex, telephoto and facsimile services and television and radio relay.

It has already expanded the communication room of the Korean preparatory committee of the festival and is now pressing ahead with the installing of telephones in the commanding centers of functions.

Expansion of communication networks is also progressing fast. Cable and pipe laying has already been carried out in several dozen kilometres of sections.

New branch telephone offices have made their appearance in the city including Kwangbok Street, a site of festival functions.

Dozens of communication offices have been installed in sites of functions, places of sightseeing and meeting halls of centres. There participants in the festival will find available postal, telex, telephoto and facsimile facilities to send news materials in the shortest time to wherever they want.

The Pyongyang earth station completed recently the installing of satellite communication facilities and put them into operation for the expansion of television relay and international telegraphic and telephone circuits.

Telephoto and facsimile facilities are being installed at an accelerated pace at the newly built international communication centre.

And the department is actively pushing ahead with the installation of a large-capacity electronic automatic switching system and cross bar automatic switchboards, multi-serviceable and economic, which were made by our own efforts and technology.

Kang Hui-won Attends Automation Plant Meeting
SK1512055888 Pyongyang Domestic Service in Korean
1300 GMT 13 Dec 88

[Text] A rally of employees of the 5 October Automation General Plant to thoroughly implement the teachings of the great leader Comrade Kim Il-song at the 14th plenary meeting of the 6th party Central Committee and the decisions of the plenary meeting was held on the spot yesterday. Comrade Kang Hui-won, alternate member of the WPK Central Committee Political Bureau, responsible secretary of the Pyongyang Municipal Party Committee, and chairman of the Pyongyang Municipal People's Committee, and functionaries of relevant sectors attended the meeting together with the employees of the plant and the builders who participated in the construction of the new facilities of the plant.

Kang Hyong-mo, manager of the 5 October Automation General Plant, made a report at the meeting. Other speakers at the meeting were Kim Chang-song, chief engineer; (Cho Chang-suk), director; Yim Pong-hye, head of a work site of a construction station; and Kwak Song-chol, director of Soson District Administrative and Economic Guidance Committee.

The reporter and the speakers noted that the 14th plenary meeting of the 6th WPK Central Committee was held at a historic time when the whole country was brisk with the new 200-day campaign, and stressed that the teachings of the great leader Comrade Kim Il-song at the plenary meeting is a programmatic guideline to drastically develop the country's machine tool industry and electronic and automation industry.

They noted that their plant has an honorable and responsible task, based on the great leader's programmatic teaching and the decisions of the plenary meeting, to contribute much to boosting our country's machine tool industry and electronic and automation industry to a world standard in the near future through the mass production of various types of machine tool control devices, robot control devices, and automation elements.

They stated that the workers, technicians, and experts of the plant will prepare themselves to be all-around automation guards capable of confidently operating and producing any modern control devices and automation elements by arming themselves more firmly with knowledge of modern science and technology, so that they will share the brilliant honor of the vanguard of the era of electronization and robotization.

They stated that the working class of the plant will further step up the heightened revolutionary zeal, produce and supply the facilities for the major construction projects, such as the Sunchon Vinalon Complex and Kwangbok Street, in a timely and qualitative manner, and fulfill by all means the targets of the new 200-day campaign by the middle of February next year.

The reporter and speakers consistently stressed that to become honorable victors in the struggle to implement the decisions of the plenary meeting, they will all firmly establish the revolutionary outlook on the leader and demonstrate more highly the revolutionary spirit of unconditionally implementing the great leader's teaching and the party's decisions and directives.

The meeting adopted a letter of resolution.

Commerce School's Founding Marked in Pyongyang
SK1512220488 Pyongyang KCNA in English
0434 GMT 14 Dec 88

[Text] Pyongyang December 14 (KCNA)—A meeting was held Tuesday to celebrate the 30th anniversary of the founding of the Pyongyang School of Commerce.

At the meeting a congratulatory message of the Central Committee of the Workers' Party of Korea to the teachers and students of the school was read out by Pak Nam-ki, secretary of the party Central Committee.

The message said that the school of commerce has trained a large number of commercial workers and highly skilled workers in the public catering and service domains, sound politically and ideologically and prepared technically and practically by correctly applying the principle of socialist pedagogy in education.

The teachers and students of the school have greatly helped toward the improvement of people's living by producing various valuable contrivances and inventions including the method of biological denaturation of nixie through a vigorous drive to resolve scientific and technological questions in improving the quality of commercial service and making revolution in service, noted the message.

It pointed to main tasks for training more and better highly skilled commercial workers to meet the demand of the party's line of revolution in service.

[Pyongyang Domestic Service in Korean at 1300 GMT on 13 December broadcasts a 5-minute report on this anniversary meeting that says that Chong Chun-ki, Pyon Yong-nip, and others attended]

Article Views Moral Stimuli, Material Incentive
SK1612033088 Pyongyang Domestic Service in Korean
2116 GMT 12 Dec 88

[NODONG SINMUN 13 December special article: "A Correct Combination of Political and Moral Stimuli With Material Incentive in the Guidance and Management of Socialist Economy"]

[Text] In his historic report entitled "Let Us Accomplish the Cause of Socialism and Communism Under the Revolutionary Banner of Chuche," delivered at a meeting to celebrate the 40th anniversary of the founding of

the Republic, the great leader Comrade Kim Il-song clearly stated that a correct combination of political and moral stimuli with material incentive is one of the fundamental principles that must be defended under any circumstances in the guidance and management of the socialist economy and presented a most correct way of realizing it.

Man will lead a political and physical life and he confronts political and moral demands, as well as material demand, accordingly. The need to combine political and moral stimuli with the material incentive is an indispensable demand that proceeds from the communistic and transitional nature of a socialist society.

Since the popular masses are to be united as a single sociopolitical organic body in a socialist society, their interests reconcile with each other and thereby, the relationship based on the communistic principle of "one for all, all for one" constitutes the basis of social relationship.

Such a communistic nature of a socialist society generates among the working people the political and moral desire to consciously and devotedly take part in social production and collective labor for the common interest of the sociopolitical groups. This desire is to be expressed as an interest to live honorably by making political integrity shine.

A socialist society is characterized by a transitional nature as well as a communistic nature and from this the issue of material incentive proceeds, in addition to political and moral stimuli.

The residue of outdated ideology of various kinds remains in the heads of the people living in a socialist society, a transitional society. Also, the level of development in productivity in a socialist society is not high enough to make distribution possible in conformity with demands. This being the case, in a socialist society, people should be concerned with the payment for their labor.

Political and moral stimuli and moral incentive, because they are the forms that stimulate different kinds of interest, should be realized in the course of putting the economic management into practice by the party's political and economic organizational work.

Whereas the political and moral stimuli should be realized in a way that arouses political self-awakening among the working people based on a political appraisal of the work of the political and ideological indoctrination and the results of labor, the material incentive serves to stimulate the working people's productive zeal through the materialistic appraisal of the results of labor, that is to say the practice of the socialist principle of distribution based on the quantity and quality of labor, the use of the material incentive leverage, and improvement of people's living conditions.

Although the political and moral incentives and material incentive assume mutually different natures, they need to be closely united with each other because of their common mission to contribute to generating among the working people labor enthusiasm and because they are in a relationship of mutual supplement.

The working people's revolutionary zeal enhanced by the political and moral stimuli can become more powerful only when it is backed by material incentive.

The working people can display higher their labor zeal and creativity only when the people who have done great things for society and groups are not only highly appreciated politically and accordingly, but also when they are rewarded with proportionate material compensation.

How to combine the political and moral stimuli with the material incentive is important when it comes to the management of socialist economy. Whether one correctly solves the question of economic management to suit the essential demand of the socialist society or not, and whether one defends the principle and revolutionary stand of the working class in economic management or not, depends on what he gives precedence to and on what he emphasizes in combining the political and moral stimuli with the material incentive.

By making it clear that the political and moral incentives should be given the first consideration in combining these two sets of incentives, the great leader has given scientific answers to the fundamental problem arising in correctly combining the two.

The great leader Comrade Kim Il-song has taught: Since political integrity is more valuable for a social man than his physical life, in the management of the socialist economy it is imperative to put the main stress on the political and moral stimuli and correctly combine them with the material incentive.

To properly combine the political and moral stimuli with the material incentive, with the main stress on the former, means to bolster the improvement in the material living conditions on the basis of giving precedence to work of political and ideological indoctrination, to attach crucial significance to political work, political appraisal, and based on this, to correctly combine it with the material appraisal.

For a social man, the political integrity given by the sociopolitical groups is an everlasting independent life and it is more valuable and precious than the physical life.

Strengthening the political and moral stimuli is a powerful way to promote the process of revolutionizing and converting the working people into a working class and that enables them to make their political integrity shine.

Thus, in the management of the socialist economy, the political and moral stimuli should be properly combined with the material incentive, while putting the main stress on the former, without fail.

The principle of properly combining the material incentive with the political and moral stimuli, putting the main stress on the latter, is a powerful weapon, which makes it possible to give full play to the superiority of the socialist system and step up the socialist economic construction at a fast rate by rousing the revolutionary zeal of the working people.

The working masses' revolutionary zeal is an expression of their high political self-awakening to struggle at the expense of their lives for the party, leader, fatherland, people, society, and groups as well as a decisive factor that vigorously propels the socialist economic construction.

When the revolutionary zeal and creative positiveness of the working masses are highly displayed, the reserve and potential for growth in production can be mobilized and used to the maximum, and an uninterrupted upsurge and innovation can be attained in the economic construction.

When the political and moral stimuli are adhered to, with the main stress put on it, the working people will give full play to their revolutionary zeal and creative positiveness to accelerate the historic cause of socialist and communist construction, sharing weal and woe with each other.

In proportion to the degree of development in a socialist society, when the political and moral stimuli is strengthened, revolutionary zeal, the source of the driving force behind the economic construction, grows stronger without interruption. Herein lies the essential superiority of the socialist system and the recipe that gives full play to it.

The material incentive is in no sense capable of playing such a role. So, when the working people's revolutionary zeal based on a high degree of political self-awakening plays a crucial role in the economic growth, the productive zeal proceeding from the material interestedness can be said to play an auxiliary role.

The principle of properly combining the material incentive with the political and moral stimuli, putting the main stress on the latter, is also the guiding principle that indicates the road of pushing ahead with both the economic construction and work of remolding the men's ideology and consciousness.

When the political and moral stimuli directly promotes the process of remolding the working people's ideology and consciousness, combining it with the material incentive while putting the main stress on the former, the material incentive contributes to breeding men's communist attitude toward labor.

Although it is a self-evident fact that the political and moral stimuli remold the men's ideology and consciousness in a revolutionary and communistic way, it can be better promoted only when it is bolstered by the material incentive.

In socialist society, the material incentive cannot be a fundamental factor for getting people on the move and calling forth their enthusiasm with money, as in capitalist society. It contributes to heightening men's productive zeal and, in the process, to breeding in them the spirit of valuing and loving the group, the communistic attitude toward labor, comradely unity, and the cooperative spirit through such individual material form of incentive as living expenses, prizes, and bonuses and through such collective material form of incentive as team management system.

The form of material incentive whereby material reward is offered according to the quantity and quality of the work done by working people under the condition that the main stress is placed on the political and moral stimuli serves the purpose of doing away with the wrong practice of living at the expense of others, without working, and fostering a voluntary attitude toward labor in the course of one's active participation in collective labor.

The principle of properly combining the political and moral stimuli with the material incentive, with the main stress on the former, is a scientific and revolutionary principle that has precisely embodied the inevitability of the change and development in the two sets of incentives.

Men's political and moral demands and material demand are to continue to exist even in communist society. However, the forms of stimulating the two kinds of demands are to go through changes and development in step with the advancement of socialist and communist construction.

While the political and moral stimulus is related to the communistic nature that represents the future of socialist and communist construction, the material incentive is related to the transitional nature of a socialist society as it is a remnant of an old-fashioned society that must be overcome step by step.

So, the political and moral stimuli and the material incentive are closely related to the inevitability of the development in the nature of a socialist society and are to go through uninterrupted changes and development according to the development in a society.

In proportion to the acceleration of socialist and communist construction, the communistic nature is to become stronger and the role played by the political and moral stimuli is also to rise high. At the same time, when the material and technical foundation of socialism is consolidated, the difference of labor is reduced in all

sectors of the national economy, and men's ideology and consciousness become higher, the significance of the material incentive as an instrument for arousing the desire in the working masses for production grows weaker steadily.

In other words, while men steadily pay less attention to their individual interests in the independent and creative production activity, their self-awakening and role that comes natural to masters and collective mutual cooperation and assistance will become full and complete.

On the contrary, however, to expand the use of the medium of the material stimulus lever in work of economic organization, with the main stress placed on it, is contradictory to the essential nature of the socialist system. In that case, one is bound to resort to individualist and capitalist methods in economic management and encourage individualist egoism among the working people.

Historical experience clearly shows that to place the main stress on the political and moral stimuli and to steadily enhance the level of political awareness and ideological consciousness of the working people and combine it with the material incentive is the most correct road which makes it possible to defend the principle of socialism in the fundamental interest of the working class and dynamically accelerate socialism and communism construction.

In this way, to properly combine the political and moral stimuli with the material incentive, with the main emphasis on the former, fully corresponds to the inevitability of the development in the mutual relations between the two sets of incentives. Because of this, the social relations based on the collectivism of the socialist society should attain sound development according to the essential demand of the working class, which is determined to completely realize the independence for all the people.

By firmly defending the Taean work system, the validity and vitality of which have clearly been proved in practice, and by thoroughly implementing the principle of properly combining the political and moral stimuli with the material incentive, we should encourage and propel all the people to innovation in the new 200-day campaign and accelerate the socialist economic construction without interruption at a high speed.

Daily Comments on Combining Democracy, Command
SK 1612125988 *Pyongyang Domestic Service in Korean*
2116 GMT 10 Dec 88

[NODONG SINMUN 11 December special article:
"The Correct Combination of Democracy and Unitary
Command is an Important Principle in Socialist Economic Guidance and Management"]

[Text] In his historic report, "Let Us Accomplish the Cause of Socialism and Communism Under the Revolutionary Banner of Chuche," at the report meeting

celebrating the 40th anniversary of the founding of the Republic, the great leader Comrade Kim Il-song explained that the correct combination of democracy and unitary command is one of the basic principles in socialist economic guidance and management, proceeding from the essential demand of the principle of the chuche idea and of the socialist economy.

The great leader Comrade Kim Il-song has taught:

In a socialist society, the working masses are the master of production and management. Therefore, democracy should be fully reflected in economic management so that the demand and collective will of the masses will be embodied and, at the same time, the command should be conducted in a unitary manner so that consistency will be ensured in production and management activities.

Implementation of unitary command based on democracy ensured in the socialist economic guidance and management is an indispensable demand for embodying the method of socialist and collectivist management and operation.

The method of collectivist management and operation to manage and operate the economy by depending on the collective strength and wisdom of the working masses who are united as a political organism is a powerful method generated by the original nature of the socialist system.

Only when the demand and collective will of the productive masses who have become the master of production and management are enhanced and when the unitary command is ensured on the basis of such demand and will can the method of collectivist management and operation be successfully implemented.

Enhancing [palyang] the democracy that embodies the demand and collective will of the working masses means the participation of the masters of production and management in economic management while the unitary command means that the administrative commander [haengjong chihwigwan] unitarily commands production by grasping it in a unified manner and by depending on the productive masses under the collective leadership of the party committee.

The combination of democracy and unitary command reflects the social shares between the masters of production and management and their comradely cooperative relations. Therefore, such shares and relations should be closely linked with each other based on the aspiration for the common interest of society and groups and should be realized through unified procedure.

Enhancement of democracy is itself the embodiment of the collectivist principle in economic management and operation. This can be more smoothly realized when democracy is correctly combined with unitary command. All works of large-scale production, composed of

various production units and production processes that are closely linked with each other based on modern mechanical technology, cannot be carried out smoothly and in a unified manner by the strength and wisdom of only one administrative commander.

Those who know about production and management better than anyone else are the productive masses. The unitary command not relying on the wisdom and creativeness of the productive masses cannot evade bureaucracy and subjectivism. Only when the unitary command is based on the collective wisdom, creativeness, and rich experience of the masses can it be realized on the basis of collectivist principles.

The might of democracy can be highly displayed when it is combined with unitary command. Only when the creativeness and precious experiences possessed by the masses are grasped in a unified manner and organizationally implemented under the unitary command can they prove their worth.

The unitary command ensures consistency in economic management and operation and establishes a strict system and order. Thus, it enables one to realize the creativeness and experiences of the masses as a lofty material achievement. Therefore, the key to successfully resolving all problems arising in economic construction lies in correctly combining democracy with the unitary command while fully enhancing democracy.

The principle of conducting the unitary command based on the insurance of democracy is a revolutionary and scientific economic management principle which enables one to substantively manage and operate the socialist economy by enhancing the role of master in production and management.

The principle of correctly combining democracy with unitary command enables one to substantively command production by mobilizing the wisdom and creativeness of the working masses and by eliminating bureaucracy and subjectivism in economic management.

Insurance of democracy in socialist economic management takes the implementation of our party's revolutionary policy on the masses as a precondition. Our party's policy on the masses in economic management demands that the working masses be regarded as master of production and management as elucidated by the chuche idea and that all problems be resolved by depending on the strength and wisdom of the masses.

Therefore, democracy in economic management should encourage one to actively carry out the party's political work by implementing the policy on the masses and by making the productive masses actively participate in economic management so that they can fully display

their wisdom and creativeness with the awareness of being the genuine masters of production and management. Only by doing so can democracy be successfully ensured.

The Taaen work system is a most superior economic management system that enables one to correctly combine democracy and unitary command by thoroughly embodying the policy on the masses under the leadership of the party committee. Reflecting the will and demand of the masses in economic management under the Taaen work system is the collective leadership of the party committee of the relevant unit.

Through collective discussion, the party committee should make the masses actively participate in economic management and should accept, analyze, and systematize their will and proposals. Thus, the party committee should mobilize the wisdom and creativeness of the working masses to the maximum degree.

At the same time, the party committee should inspire the party organizations and worker's organizations to aggressively carry out political work among the party members and workers while encouraging all functionaries including managers and chiefs of branch offices to mingle deeply with the productive masses and to conduct political work and the work with men so that the productive masses participate in enterprise management as the master. The party committee should also encourage the productive masses to actively put forward their opinions for improving production and management.

Through the collective leadership, the party committee should correctly guide and control all forms and methods for making the productive masses participate in economic management in a normal manner and without exception.

The work for the masses to discuss the plans in the plants and enterprises and the system of summing up daily production and finance are a clear example of the methods and forms for enhancing the role of the productive masses as the masters and for organizing and mobilizing their creativeness.

In this course, one should encourage the productive masses to actively exercise the right to participate in enterprise management and should bring them to the position of masters in economic management so that the essential nature of enhancing democracy and superiority in socialist economic management will be displayed.

Through the collective leadership of the party committee, an administrative commander should eliminate bureaucratism and subjectivism and should successfully resolve all problems arising in production, management, and operation by depending on the masses so that the policy on the masses is implemented in economic management and so that the socialist economy is developed constantly and rapidly.

The principle concerning the correct combination of democracy and unitary command enables one to establish a strict order of management and operation and to effectively carry out management activities.

Conducting the command in a unitary manner on the basis of democracy ensures strict organizational nature and discipline in the economic management and operation.

The unitary command of production can be successfully realized only when it grasps in a unified manner all works related to production including planning, the work of ensuring production, implementation of production processes, and technological guidance and only when it ensures a strict organizational nature and discipline.

On the contrary, when a system and order are absent in production and management, effective and reasonable use of such means of production as labor, facilities, and raw and other materials cannot be guaranteed, nor can social labor production efficiency be enhanced. It is, therefore, important to establish a strict organizational spirit and discipline in economic management.

The organizational spirit and discipline, as such, can be ensured only by the unitary command of administrative managers. The unitary command makes all the management sections, units, and working people move in concert according to the dictate of established discipline and order, a single plan and directive. In this way, no phenomenon of any kind that lacks discipline is allowed in economic management, while guaranteeing the oneness in the activity of those engaged in production.

This being the case, only when the unitary command is strengthened on the principle of guaranteeing democracy can all the ingredients of production be effectively put together, mobilized, and used and can the collective resourcefulness and collective strength of the productive masses bring about far greater success in production.

Next, the unitary command on the principle of guaranteeing democracy makes it possible to efficiently run production and management activity based on the uniform grasp of production as a whole.

The organization and command over production can be realized through a certain production guidance system. A uniform and concentrated production guidance system is the most reasonable production guidance system suitable for the unitary command.

Administrative managers can have a uniform grasp on production as a whole; can closely combine production with the work of doing things on plan, technical guidance, and production guidance, while putting emphasis on production; can properly guarantee the conditions for production, such as supply of raw and other materials;

and can meticulously organize economic and technical work only when they realize the unitary command through a uniform and intensive guidance system over production.

This being the case, the administrative managers can render management activity effective only when they are capable of doing the unitary command through a uniform and concentrated production guidance system. That is to say, in this way they can guarantee a high degree of organizational spirit and a spirit of doing work on plans in the process of production, precisely put together and propel the production process as a whole based on the objective rules governing modern production, and smoothly and effectively develop production in conformity with the changing situation.

Today, a thorough implementation of the principle of correctly combining democracy with the unitary command serves as an important guarantee for improving and consummating the guidance over and management of the socialist economy in conformity with the demand of the collective method of management and operation and of large-scale modern socialist production and for enhancing the superiority of the socialist economic system.

By firmly defending the Taean work system, the validity and vitality of which have been clearly proved in practice, and by correctly combining democracy with the unitary command in economic guidance and management, we should once again effect a great revolutionary upswing in the new 200-day campaign and mark uninterrupted innovation and upswing in the implementation of the Third Seven-Year Plan.

Correction to Anti-Hungary Poster

This correction pertains to the article headlined "Poster Demands Withdrawal of Hungarian Mission" published in the 15 December East Asia DAILY REPORT, page 15: First column, third paragraph, first sentence should read: ...the end, on 5 December officially established its... (changing month)

South Korea

Assembly Approves Prime Minister Appointment
SK1612082588 Seoul Domestic Service in Korean
0700 GMT 16 Dec 88

[Text] The National Assembly held its plenary session this afternoon and voted to pass the motion presented by the president calling for approval of the appointment of Acting Prime Minister Kang Yong-hun. The outcome of the vote was as follows: Of the total 294 lawmakers present, there were 160 ayes, 10 nays, 123 abstentions, and 1 invalid.

PPD lawmakers, who have expressed opposition to the appointment of Mr Kang Yong-hun as prime minister, claiming that the procedures for his appointment are against the Constitution, and RDP lawmakers, who have claimed that the Acting Prime Minister Kang Yong-hun was involved in the Yusin system in the past, expressed their intention to oppose the appointment of Kang Yong-hun by boycotting the balloting while only placing their nameplates into the nameplate box.

Confirmation Averts Confrontation
SK1612092888 Seoul YONHAP in English
0920 GMT 16 Dec 88

[Text] Seoul, Oct. 16 (YONHAP)—The National Assembly, in a vote which included 123 blank ballots, approved, 160-10, on Friday President No Tae-u's Dec. 5 appointment of Kang Yong-hun as prime minister.

The Assembly's confirmation of Kang as premier averted a feared confrontation between the ruling and opposition parties at a time when the two camps are at loggerheads with their respective stands on eliminating the scandalous legacies of former President Chon Tu-hwan.

Lawmakers of the two largest opposition parties, the Party for Peace and Democracy (PPD) and the Reunification Democratic Party (RDP), cast blank ballots to show their disapproval with Kang's selection.

Of the 299 National Assembly members, 294 took part in the vote. There was one invalid vote.

Kang was supported by the ruling Democratic Justice Party, the opposition New Democratic Republican Party, and conservative independent members.

The PPD opposed Kang's selection, labeling President No's first major cabinet shake-up this month "unconstitutional."

"President No neglected the Constitution which calls for the premier to second the appointment of ministers," a PPD lawmaker said before the vote.

The RDP also voted against Kang's appointment, citing a report that Kang had operated a research institute in the United States aimed at influencing opinion about the government of the late authoritarian President Pak Chong-hui.

Choe Willing To Consult on Assembly Summons
SK1512005088 Seoul THE KOREA HERALD
in English 15 Dec 88 p 2

[Text] Former President Choe Kyu-ha has sent a letter to the National Assembly's special committee probing the 1980 Kwangju civil uprising expressing his willingness to consult with the panel on the summons sent to him.

Committee chairman Mun Tong-hwan, revealing the letter, said yesterday that four rival parties will discuss the matter soon.

Reiterates Unwillingness To Testify
SK1612131488 Seoul YONHAP in English
1242 GMT 16 Dec 88

[Text] Seoul, Dec. 16 (YONHAP)—Former President Choe Kyu-ha Friday reaffirmed his unwillingness to testify before the parliamentary ad hoc committee investigating the brutal suppression of the 1980 Kwangju civil uprising but said he would cooperate in another way to discover the truth of the tragic incident.

Choe, while talking with Rep. Mun Tong-hwan, chairman of the ad hoc committee, who visited his own home in western Seoul, expressed his unwillingness to testify at the committee, saying, "My testimony at the parliamentary hearing, which is televised live, would make a precedent that may have a bad impact on my successors."

The former president, however, said he would cooperate with the National Assembly in the proposed probe into the truth of the incident through other means that are acceptable both to him and the Assembly's ad hoc committee.

Rep. Mun warned in his meeting with Choe that his committee might issue a writ on coming Monday for summoning him to the committee hearing should he keep refusing to come to the witness stand of the hearing voluntarily.

The parliamentary committee is to decide its response to Choe's attitude Saturday. The Kwangju civil uprising took place in May, 1980, when Choe was in office.

U.S. Urges ROK To Take MAC Post
SK1612005888 Seoul THE KOREA TIMES in English
16 Dec 88 p 3

[Text] The United States was reported to have recently suggested that South Korea replace the U.S. as the senior representative of the United Nations Command's [UNC] delegates to the Military Armistice Commission (MAC) at the truce village of Panmunjom.

The report has it that Gen. Louis C. Menetrey, commander of U.S. Forces Korea and the UNC, has also proposed to the Defense Ministry of Korea that Korea take over from the U.S. overall security details at the Joint Security Area (JSA) in the border town of Panmunjom.

Since the Korean War ended on July 27, 1953 with the signing of the ceasefire, U.S. forces have carried out security duties at the JSA and a major general of the U.S. has represented the UNC delegation at the MAC meetings.

The U.S. is the only signatory to the Korean War Armistice, representing the UNC which was then composed of forces from 16 countries.

South Korea did not sign the ceasefire accord.

Korea reportedly said there is a technical difficulty in a Korean general replacing an American as the senior representative of the UNC's delegates to the MAC meeting due to the ceasefire agreement.

The U.S. currently stations an approximately 43,000-strong force in the southern half of the peninsula.

At present, Korea heavily depends upon the early warning system of U.S. forces here, in gaining a timely access to top secret North Korean military intelligence.

Meantime, nobody could be reached for comment on the proposal at the USFK Command.

Gen. Menetrey will return on Sunday from a trip to the United States.

Kang Yong-hun Lobbying in U.S. Viewed
SK1612024688 Seoul YONHAP in English
0219 GMT 16 Dec 88

[Text] Washington, Dec. 15 (YONHAP)—Newly named South Korean Prime Minister Kang Yong-hun previously set up and operated for six years an educational foundation here, aimed at influencing opinion about the government of the late President Pak Chong-hui, according to a report by the U.S. House of Representatives.

The report, titled Investigation of Korea-American Relations, was published on Oct. 31, 1978, by the Subcommittee on International Organizations chaired by former Representative Donald Fraser.

The report quoted Kang as saying that he had received the initial funds directly from Pak Chong-hui in founding the Research Institute on Korean Affairs (RIKA).

Kang, 66, a retired army general, was named prime minister in the first major cabinet shake-up of President No Tae-u on Dec. 5.

Kang was reportedly forced to retire from the Army for opposing the military coup in 1961 which enabled Pak to take power.

Following are the main contents of the report:

"One institution established by the ROK Government was the Research Institute on Korean Affairs (RIKA), founded by retired Gen. Kang Yong-hun in the fall of 1970 as a nonprofit, tax-exempt educational foundation. The subcommittee was informed that General Kang told several individuals he had received the initial funds for RIKA directly from President Pak Chong-hui.

"During subcommittee hearings on March 15, 1978, a declassified summary of U.S. intelligence reports was released which included General Kang's institute as among the ROK Government lobbying activities to be placed under the direction of Tongson Pak (a plan later rejected).

"Other U.S. Government reports in the spring of 1974 indicated that the KCIA [Korean Central Intelligence Agency] in Washington, D.C., was attempting to persuade wealthy Korean businessmen in the United States to serve as fronts for KCIA funding for RIKA.

"Former Director of the KCIA Kim Hyong-uk testified that General Kang requested and received funds for RIKA from the KCIA.

"Further, according to the 1976 KCIA plan, General Kang's research institute was to play a major role in influencing opinion about Korea in the U.S. academic community.

"Because of these allegations, the subcommittee investigated the operations of the RIKA and its financial records.

"The inquiry revealed that a large-scale laundering operation had been initiated in 1971, continuing through 1976, to disguise the source of funding.

"The subcommittee examined the list of contributors compiled by RIKA which formed the basis for its claiming tax-exempt status from the IRS. "A breakdown of the list was as follows:

| | |
|---|---------|
| Clear cases of laundering | 173,954 |
| "Contributions" by Korean officials | 100,490 |
| Other contributors | 70,750 |
| Unidentified contributors | 41,500 |
| Total | 386,674 |

"The laundering process involved either General Kang or Washington-based KCIA official, Choe Hong-tae, who would give cash or a check to an individual who would then write a check to RIKA for the amount of money given them. "Former Korean Government Education Attache, Kang Kyong-ku, and Baltimore businessman Yim Ki-so testified to laundering 36,000 and 10,000, respectively, in this fashion. "RIKA published the quarterly journal of Korean affairs and other academic materials, established a library of works on Korea, sponsored academic conferences, and supported General Kang's participation in organizations involved in Korean studies. "The journal contained articles on international relations in East Asia, on issues concerning Korean reunification, and on diplomacy in both North and South Korea. "The tone of the majority of articles was generally conservative, no doubt in part due to the refusal of certain critics of the government to submit articles, since RIKA was rumored in the Korean studies

field to be connected with the government. "Nonetheless, the subcommittee found no evidence to indicate that the content of the journal was dictated by the KCIA or the ROK.

"According to the 1976 KCIA plan, RIKA was also to play a major role in the KCIA's efforts to influence the U.S. academic community.

"Publications of the institute were to be used to "expose the fallacies of anti-ROK slander and propaganda."

"One scholar in the Korean studies field told the subcommittee that he received multiple copies of RIKA publications by mail—from the Korean Embassy, the consulate in New York, and the observer mission to the United Nations."

Revision of SOFA Discussed With U.S.
SK1612124588 Seoul TONG-A ILBO in Korean
16 Dec 88 p 1

[Text] An intergovernmental special conference between Korea and the United States was held on 16 December at the Ministry of Foreign Affairs to revise the ROK-U.S. Status of Forces Agreement [SOFA]. SOFA, which prescribes investigation rights and jurisdiction over the crimes of U.S. soldiers in Korea, customs clearance of imports and exports of U.S. forces, and regulations of supply for Korean laborers for U.S. Army units in Korea, was signed in July 1966. Since then, many problems have arisen with this agreement. The current conference is the first official intergovernmental conference between the two countries held to rectify these problems.

In the conference, it has been learned, the U.S. side has said that the conference would be an opportunity to listen to the Korean side's views, rather than an opportunity to work out a concrete revision of the agreement.

Besides the aforementioned issues, it has been reported, the authorities concerned of the governments of the two countries have made closed-door contacts on several occasions to discuss such issues as relocation of the U.S. military bases from the downtown area of Seoul City to the outside of the city and the change of channels of the U.S. AFKN [American Forces Korea Network] Television Broadcasting Network. The Korean people have been critical of the AFKN network because of the infiltration of American popular culture into the Korean audience.

The current conference was attended by officials concerned from the ministries of national defense, justice, and labor administration with Sin Tu-pyong, director of the American Affairs Bureau of the Ministry of Foreign Affairs as senior member from our side and by Thomas Baker, deputy commander of the U.S. Eighth Army as senior member from the U.S. side.

Daily Urges North To Renounce Isolationist Policy
SK1612012088 Seoul THE KOREA TIMES in English
16 Dec 88 p 8

[Editorial: "Much Change in North Korea"]

[Text] Is North Korea changing? This question is seriously being taken up by many North Korean watchers particularly in view of an extraordinary session of the Supreme People's Assembly in Pyongyang convoked Monday. The Assembly meeting is considered to be urgent as the Assembly's standing committee usually announces the convocation of parliamentary sessions 20 days in advance.

On the opening day, the North KOREAN CENTRAL NEWS AGENCY announced that premier Yi Kun-mo had been replaced by Yon Hyong-muk, a member of the Politburo and secretary of the Workers' Party. Pyongyang attributed the abrupt dismissal of premier Yi to reasons of health. But attention is drawn to the fact that Yi assumed his post two years ago to launch an ambitious seven-year economic development plan starting last year.

Meanwhile, some North Korean ambassadors and officials have apparently been holding a month-long important meeting, with a view to revamping Pyongyang's foreign policy. The Pyongyang regime has gone through six highest economic planners in the past two years. The ousted premier Yi is known to be a close braintruster of Kim Il-song.

This sequence of developments prompts speculation that something important is taking place in the capital of the North. But there is no way to find out what is actually happening in its closed society. At any rate, North Korea is under increasing pressure to change in the face of the surging mood of detente.

Pyongyang leaders must have realized they will inevitably be forced to reorient their inalienable dogma of self-reliance laid down by absolute leader Kim Il-song. The North's foremost ally, the Soviet Union, is vigorously pushing glasnost and perestroika policies to extricate itself from the impoverishment caused by its economic policies and to meet the people's aspiration for democratization.

The Seoul-Budapest agreement on the establishment of permanent missions has undoubtedly touched a raw nerve in Pyongyang. And such a trend will accelerate with the setup of trade missions between Korea and the Soviet Union, Yugoslavia, Poland and Bulgaria. Other North Korean allies—East Germany, Czechoslovakia and Romania are expected to follow suit sooner or later. Seoul and Beijing, too, are stepping up their exchanges at provincial levels.

As a matter of fact, the North has been cautiously grouping toward the possibility of expanding relations with capitalist countries with the enactment of a foreign joint venture law. But the policy has not been effective primarily because of the country's lack of international credibility. The Communist country has defaulted on loans worth some \$900 million, facing seizure of its foreign assets by the Western creditors.

To make matters worse, Pyongyang's major allies, the Soviet Union and China, have becoming estranged from it with their rapprochement with Seoul and their declining interest in their mutual economic relationships. Under the circumstances, Pyongyang has no choice but to follow the path toward openness and reform that has been pioneered by its two Communist allies.

Before any thing else, the Pyongyang government needs to improve its standing in the world community by first renouncing its isolationist policy and hostile attitude toward the South. Next should come the buildup of a new image marked by commitment to the maintenance of peace on the Korean peninsula.

Soviet Foreign Minister Eduard Shevardnadze will reportedly visit Pyongyang shortly on a leg of his tours to Tokyo and Manila. Also expected is a visit by Soviet leader Mikhail Gorbachev to the North Korean capital possibly in the first half of next year. Hopefully, the two Soviet leaders to the North will lead the Pyongyang leaders into changing their minds and accommodating liberal policies on both inter-Korean and foreign fronts.

Following the example of Soviet openness and reform, the North should make the decision to cast off its old crust of worn-out exclusivism and accept the logic of the changes taking place around it.

We hold to the view that the acceleration of inter-Korean exchanges with the stress on mutual trade is most apposite and profitable, but only if the North Korean leaders desire it. The Seoul government has enunciated a series of cooperative programs waiting for a positive response from the other side of the divided country.

Japan To Allow DPRK Soldier To Stay
SK1612095988 Seoul YONHAP in English
0937 GMT 16 Dec 88

[Text] Seoul, Dec. 16 (YONHAP)—The Japanese Government has decided to allow a former North Korean soldier to reside in Japan after more than five years of detention and residence restriction, an official at the Foreign Ministry said Friday.

"The Japanese Government on Friday informed the Korean Embassy in Tokyo of its special allowance for Min Hong-ku to reside in Japan," the official said. "Min came to be able to live freely without residence restriction."

Sgt. Min escaped from North Korea in October 1983 aboard a Japanese freighter docked at the North Korean port city of Nampo, and was arrested on arrival on charges of illegal entry.

The Japanese Government freed Min, 25, on parole on Nov. 2 last year, but restricted his residence to an area where it said no Korean diplomatic mission is posted.

"An official at the Korean Embassy has met with Min and confirmed his intention to live in Japan freely," the official said. "The (South Korean) Government welcomes the decision (of the Japanese Government)."

Hungarian Envoy 'Optimistic' on Full Ties
SK1612093988 Seoul YONHAP in English
0929 GMT 16 Dec 88

[Text] Seoul, Dec. 16 (YONHAP)—Hungary's ambassador to its permanent mission here expressed an optimistic view Friday on the possibility of diplomatic relations being fully established between South Korea and Hungary.

"Hungary and Korea will soon resume negotiations to normalize diplomatic relations in the wake of the mutual establishment of permanent missions in each other's country," Ambassador Sandor Etre said in a press conference.

"Hungary is now preparing for the negotiations," Etre said, adding, "formal diplomatic relations between the two countries could be achieved in the near future if the forthcoming negotiations make smooth progress."

Concerning the significance of the recent exchange of permanent missions, Etre said Hungary recognized that more than 40 million Koreans live below the 38th parallel and that they have achieved splendid economic growth.

The ongoing democratization in Hungary and South Korea has contributed to such a development, Etre said.

The Hungarian ambassador also said his country hopes to maintain good relations with North Korea despite Hungary's ties with Seoul.

Etre, when asked if his government had prior consultations with the Soviet Union and other East Bloc countries regarding the exchange of permanent missions with South Korea, replied that Hungary, as a sovereign nation, made the decision on its own. He added, however, that it notified those countries of the decision before such an agreement was exchanged between Budapest and Seoul.

Touching on inter-Korean contact, Etre said dialogues between the two parties are most essential in reducing tensions and bringing about national unification.

However, he said he had no intention to act as a mediator in inter-Korean matters.

Trade With Bloc Countries Continues To Increase
SK1612010088 Seoul THE KOREA TIMES in English
16 Dec 88 p 6

[Text] Trade with Communist countries is rapidly increasing in the midst of expanding economic exchanges with them.

According to trade authorities, exports to Communist countries amounted to \$453 million in the first 10 months of this year, a robust 65.4 percent increase over the figure registered a year ago.

On the other hand, imports from them rose 58.5 percent to \$1,349 million.

As a result, trade with Communist countries during the first 10-month period of this year surpassed \$1.8 billion.

The trade figure in the period is based on statistics compiled by the Office of Customs Administration, thus excluding indirect trade with Communist countries through Japan, Hong Kong, West Germany, Austria and other third countries.

Taking into account indirect trade with Communist countries, the total with them during the first 10 months of the year is estimated at more than \$2.5 billion.

The figure is expected to reach \$3 billion by the end of this month.

As the nation maintains no diplomatic relations with Communist countries, a substantial portion of its trade with them is indirectly made through third countries, mostly Japan, Hong Kong and some members of the 12-nation European Community.

Last year, the nation's trade with Communist countries amounted to \$2,030 million based on statistics held by the Office of Customs Administration, up 35.9 percent over 1986's figure.

Specifically, exports stood at \$985 million, compared with \$1,045 million in imports.

The nation's exports to Communist countries mostly comprise such industrial products as electrics, electronics, textiles, steel and synthetic resins.

Whereas its imports from them generally consist of raw materials such as coal, pulp, fertilizers, cotton and furs.

In the meantime, China accounts for as much as 80 percent of the nation's trade with all Communist countries.

However, the Soviet Union and the Eastern bloc are expected to take up more share of the nation's trade with Communist countries.

Government To Revise Regulations
SK1612053688 Seoul YONHAP in English
0507 GMT 16 Dec 88

[Text] Seoul, Dec. 16 (YONHAP)—South Korea plans to revise all legal and administrative barriers facing trade, investment and immigration with communist countries in a bid to assist the expanding economic exchanges with them, a government source said Friday.

The decision is based on the judgment that expanded economic exchanges with the communist world have made most of the laws governing economic relations with it virtually obsolete, the source said.

More than 1,000 Korean businessmen visited communist countries in the first half of this year while the Soviet Union and five other communist countries have exchanged or agreed to exchange trade offices with South Korea.

The Economic Planning Board is seeking to realize a major change in regulations on trade and investment in connection with communist countries, as such regulations are seen as standing in the way of effective economic cooperation with the communist world, according to the source.

Regulations covering entry into communist nations, which require separate procedures for those who wish to visit them, will also be revised to allow facilitated access to those countries.

The government will amend trade-related regulations including import procedures, participation in international biddings and exhibitions in connection with communist countries, the source said.

The government currently allows only one Korean business to participate in biddings offered by communist countries, but a competitive system among Korean firms will be considered for such biddings.

The government's case-by-case import approval for products of communist countries will be revised to facilitate importers' purchases of communist goods. Despite growing exchanges in non-political field, there are no diplomatic ties between South Korea and communist nations.

The government is also considering abolishing the so-called "designated trader system," under which only Samsung and Sunkyung are permitted to have business contacts with Vietnam, the spokesman said.

The current complicated procedures required of Korean businesses wishing to invest in Communist countries will also be revised.

The government also plans to include communist countries among those which can obtain financing under Korea's fund for overseas economic cooperation, the source said, adding that 100 billion won, or 146 million U.S. dollars, has been allocated for the fund for next year.

Prime Minister Deplores Violent Protests
SK1612001688 Seoul THE KOREA HERALD
in English 16 Dec 88 p 2

[From the "Out and About" column: "Rising Violence"]

[Text] Prime Minister Kang Yong-hun has called again for stern measures against unlawful demonstrations.

While presiding over a cabinet meeting yesterday, Kang said he is extremely concerned about the spreading of "group activities accompanied by violence" on campuses, work sites and in various other sectors of the society.

"Peaceful demonstrations should be protected, but violent acts should be dealt with resolutely," Kang told the cabinet members.

He also stressed that the ongoing work to liquidate the bad legacies of the Fifth Republic should be carried out "in a democratic manner."

Contributor of Fake Photos Faces Arrest
SK1512010268 Seoul THE KOREA TIMES in English
15 Dec 88 p 3

[Text] The Seoul District Prosecution's Office sought an arrest warrant for Chang Kon-sop, 30, on libel charges through the press yesterday.

Chang reportedly supplied the monthly CHUNGANG with photographs which the magazine carried as evidence of the armed suppression of the Kwangju popular uprising in its March edition this year.

But the pictures were proved to be false during the recent House hearings on the Kwangju incident.

He is suspected of having given the pictures to the monthly, implying he had photographed them during the military putdown of the demonstrators in Kwangju in May 1980.

Soldiers in the disputed pictures filed libel suits against Chang and other related people including the president of the magazine.

25 More People Banned From Going Abroad
SK1612002888 Seoul THE KOREA HERALD
in English 16 Dec 88 p 3

[Text] Twenty-five more people have been banned from leaving the country, bringing to 40 the number of people prohibited from going abroad for their alleged involvement in corruption and irregularities during the previous administration, prosecutors said.

The new blacklisted people include officials of the controversial Association of Fostering the New Generation (Saesedae) which was previously headed by former First Lady Yi Sun-cha, one prosecutor said yesterday.

The names of persons added to the blacklist will not be officially announced to protect their individual rights, he said.

Eighteen people, including Chang Se-tong, ex-director of the Agency for National Security Planning, and An Hyon-tae, former director of the Presidential Security Office, had been banned from going abroad earlier in connection with the National Assembly's investigation of the alleged irregularities of Ilhae Foundation.

Investigators said Chang and An are expected to be called in for questioning early next week, along with Chong Chu-yong, honorary chairman and founder of the mighty Hyundai Group. Chong allegedly played a major role in the establishment of the controversial Ilhae Foundation which critics say former President Chon Tu-hwan tried to use as a second Chongwadae.

Also to be probed is Yi Won-chae, former chairman of Korea Petroleum Development Corp.

Yi will be questioned in connection with the alleged diversion of the national petroleum development fund into political funds for the ruling camp.

The prosecution will launch probes of 19 new cases of financial improprieties. They include the allegedly coerced donations to Ilhae by corporation heads, liquidation of debt-ridden business giants like the Kukje-ICC Group and special favors granted to the tree farm of Yi Kyu-tong. Yi is the father of ex-First Lady Yi Sun-cha.

The scandals involving Northrop and golf course licenses and the import of U.S. rice will also be probed, prosecutors said.

Analysts, however, remain skeptical of the results of the investigation, claiming no dramatic revelations will be made since former President Chon Tu-hwan refuses to undergo questioning.

So far, prosecutors have been investigating 25 cases of corruption and financial improprieties during the Fifth Republic. No major revelations, however, have been made.

Assembly To File Charges Against Ex-Minister
SK1612003088 Seoul THE KOREA TIMES in English
16 Dec 88 p 1

[Text] The National Assembly is ready to formally file charges against former agriculture-fisheries minister Pak Chong-mun, former Social Reform Commission (SRC) chairman Kim Man-ki and two active senior police officers on perjury charges for their testimonies during the parliamentary inspection of the administration.

The two police officers are Yun Chae-bo, a senior superintendent, and Kim Su-hyon, a captain, of the National Police Headquarters, who denied in the face of a torture victim that they tortured Kim Kun-tae, a former leader of a dissident youth group.

The House Home Affairs Committee yesterday decided in a meeting to file charges against the two senior police officers. It also adopted a report on the committee's inspection of the Home Ministry to be recommended to the administration.

Earlier, the House Administration and Agriculture-Fisheries Committees decided to bring charges against Kim Man-ki and Pak Chong-mun respectively.

The standing House committees drew up the reports based on their inspection of the administration organs which ended last October.

The final decision to file charges against the four will be made in a plenary House session tomorrow. The ongoing regular fall House session closes on Sunday.

The decision of the House committee followed the report that the Seoul District Appeals Court decided to indict Kim Su-hyon and three other police officers on charges of violence against Kim Kun-tae.

Kim, 42, was arrested on September, 1985, on charges of violating the National Security Law and the Law on Assembly and Demonstrations, and was sentenced to five year in jail but was released on parole last June.

Naming Kim Su-hyon and several other police officers, Kim testified at the House Home Affairs Committee's inspection session in October that he was severely tortured by the police officer while being interrogated in a room of the detachment of the National Police Headquarters in Namyong-dong, Seoul.

Kim Man-ki faces charges of defaming the Assembly by refusing to testify at the House Administration Committee's inspection session under what he termed "intimidating, tense atmosphere" last October.

The former SRC chairman admitted that he is responsible for the dismissal of more than 8,800 civil servants in 1980, but denied that he forced them to tender resignations en masse.

Former agriculture-fisheries minister Pak denied the accusations of opposition lawmakers at the committee inspection session that beef from diseased imported cattle was buried.

Prime Minister Not Involved in Yushin Publicity
SK1612004888 Seoul THE KOREA TIMES in English
16 Dec 88 p 2

[From the "Press Pocket" column: "Yushin Publicity"]

[Text] The Prime Minister's Office yesterday denied reports in a Seoul daily that a research institute set up by prime minister-designate Kang Yong-hun in the United States in 1970 worked in support of the Pak Chong-hui government.

Yi Hyon-ku, spokesman for the premier, said that the Korean Affairs Research Institute was established by Kang and financed by the Pak regime, but was not involved in "publicity" for the Yushin (Revitalizing) system as reported by the HANGYORE SINMUN yesterday.

He asserted that the quarterly "JOURNAL OF KOREAN AFFAIRS" and other academic papers published by the institute had caused trouble for government officials because of its "consistent criticism of the Korean government."

The research institute was dismantled with Kang's return to Korea in 1976, said the official.

"It's quite unbelievable that Kang, who strongly disapproved of the 1960 military coup by the late Pak, should have been involved in championing the Yushin cause," he added.

He explained that Kang had expressed his hope in a letter to then president Pak Chong-hui at the end of 1969 to set up a research institute on Korean affairs in a bid to publicize the importance of the Korean peninsula among the American people.

Pak accepted his request, and the government financed the new institute, Yi revealed, but it worked in the other direction to the government.

In yesterday's edition, the HANGYORE SINMUN reported in a New York-dated story that Kang's institute supported publicity efforts for the Yushin regime and that the Korea Central Intelligence Agency provided over \$270,000 for the institute, citing a U.S. congressional report on Korea-U.S. relations.

Assembly Delays Revision of 'Undemocratic' Laws
SK1612002288 Seoul THE KOREA HERALD
in English 16 Dec 88 p 2

[Text] The abolition or revision of "Undemocratic laws" during the current parliament session seems to be technically impossible as the National Assembly is set to close tomorrow.

The major laws due to be revised or abolished include the National Security Law, laws governing the local autonomy system and the Agency for National Security Planning Law.

Floor leaders of four rival parties will get together today or tomorrow to discuss convening an extraordinary parliament session sometime in February.

The four parties have narrowed their differences on the continuation of parliament ad hoc panel activities concerning the Kwangju incident and irregularities of the Fifth Republic.

One factor which might touch off a political furor in the months to come is President No's attitude toward a mid-term assess of his performance as chief executive that is tentatively scheduled for March or June.

DJP Moves To Oppose Raise for Assemblymen
SK1612002088 Seoul THE KOREA HERALD
in English 16 Dec 88 p 2

[Text] The ruling Democratic Justice Party is reconsidering the decision made by the National Assembly Steering Committee Wednesday to raise Assemblymen's pay by 85 percent.

DJP officials said yesterday that their party will oppose the introduction of the bill for the raise to the Assembly plenary session. The full Assembly is scheduled to act on the bill tomorrow.

"It is inappropriate for the legislature to act on a raise of such a degree for its members at a time when the government is making efforts to stabilize prices," they commented.

They said they will consult the opposition parties to defeat the bill.

Earlier in the day, officials at Chongwadae expressed displeasure over the action by the Assembly committee.

They said the ruling party had not reported to President No Tae-u on the legislative move for the raise.

Court To Try Policemen for Dissident Torture
SK1612005088 Seoul THE KOREA TIMES in English
16 Dec 88 p 3

[Text] A court of appeals in Seoul has directed that four policemen suspected of having tortured dissident Kim Kun-tae be tried, overriding the prosecution's early decision of exonerating them from the atrocity charges.

The ruling was made yesterday on a request by defense attorneys for Kim, recipient of the Robert Kennedy Human Rights Award.

The defense attorneys requested the appellate court's arbitration in February last year after the Seoul District Prosecutor's Office exonerated the police officers from the atrocity charges.

With the decision of the appellate court, the Seoul District Criminal Court will hold a trial from which prosecutors will be barred.

The role of prosecutor will be assumed by a special attorney appointed from among lawyers.

According to judiciary sources, the trial is likely to be held in February.

Kim was led away on Aug. 24, 1985 on charges of having wirepulled the anti-government struggle of a student organization called "Samminu."

As soon as he was released on Sept. 4, the same year, he was again taken to the special investigation office in Namyong-dong.

He was arrested and indicted on Sept. 7 and drew a prison term of seven years at the initial trial, which was reduced to five years at the court of appeals.

Kim appealed to the Supreme Court, but it refused to hear him. He was released on June 30 this year under a special amnesty.

During investigation at the Namyong-dong office, which is usually reserved for investigation of ideological criminal suspects, Kim argued he was tortured by means of water and electric prodders to say nothing of beating.

The four police officers to stand trial on the basis of the court arbitration are Supt. Paek Nam-un, Capt. Kim Su-hyon, Lt. Kim Yong-tu, and Lt. Choe Sang-nam.

Meanwhile, the court of appeals turned down Kim's request for the trial of 11 others including former home minister and former chief of National Police Headquarters on the ground that there is no evidence of their implication in the human atrocity.

DJP Seeks To End Assembly Panels by Year End
SK1612023288 Seoul YONHAP in English
0227 GMT 16 Dec 88

[Text] Seoul, Dec. 16 (YONHAP)—The ruling party is considering a boycott next year of the activities of the parliamentary ad hoc panels probing various scandalous legacies of disgraced former President Chun Tu-hwan if the opposition-controlled National Assembly fails to conclude them by the end of this year.

The ruling camp, determined to put an end to the parliamentary probes by the end of the year, plans to have the prosecution complete its investigations at an early date and take follow-up measures.

"The activities of parliamentary ad hoc panels have transformed into political offensives and the parliamentary hearings are off the track from the efforts to find the substantial truth," a senior ruling party official said.

"It would be due course to conclude the ad hoc panel activities and leave the unfinished aspects in the hands of the prosecution," he said. "We can consider adopting a joint agreement (between the ruling and opposition camps) on the results of the probes or issuing a joint declaration at a meeting of party leaders."

Ruling party floor leader Kim Yun-hwan also told a meeting of ruling party lawmakers that it would be "meaningless" to continue the activities of the parliamentary ad hoc panels which have no judicial investigation rights.

"We will negotiate with the opposition, but if the opposition refuses to agree we may consider boycotting the ad hoc panels," he said.

RDP Seeks Local Assembly Elections in 1989
SK1412020088 Seoul THE KOREA TIMES in English
14 Dec 88 p 2

[Text] The opposition Reunification Democratic Party seeks to hold local assembly elections aimed at re-introducing local self-rule within the six months after pertinent laws come into force.

The RDP confirmed in a meeting of its decision-making Executive Council yesterday that local autonomy should be implemented nationwide in higher administration units such as Seoul and four other special cities and nine provinces next year.

But it failed to reach a decision on when to introduce expanded local self-rule to lower administration units including ordinary cities, counties and wards (districts) of the five special cities.

Some council members suggested that the RDP seek to expand local autonomy into the lower local administration units six months after its introduction to higher units, but failed to reach an agreement in the face of opposition from members of urban areas.

Due to the delay in the revision of the Law on Local Autonomy, the implementation of local autonomy is unlikely to be conducted within the first half of next year.

The level of communities where local self-rule will begin first, after some 27 years, is a bone of contention between the governing party and opposition groups.

Meanwhile, the RDP also decided in the meeting to file charges of perjury against former culture-information minister Yi Kwang-pyo, Yi Won-hong and Yi Chin-hui, and Ho Mun-to, former presidential secretary for political affairs, for allegedly giving false testimonies during the Assembly hearing Monday on the government's suppression of the press during the Fifth Republic government.

Floor Leaders To Reinstate Secretariat Members
SK1612002488 Seoul THE KOREA HERALD in English 16 Dec 88 p 2

[Text] Fifty-two staff members of the National Assembly secretariat, who were dismissed forcibly in 1980 with the inauguration of the Fifth Republic, will be reinstated soon under an agreement reached by four rival parties.

Floor leaders of the four parties—DJP, PPD, RDP and NDRP—Wednesday decided to reinstate 52 officials who are qualified for reinstatement.

The 52 persons will be given posts to be newly created by the parliament secretariat.

The reinstatement of the dismissed officials is part of ongoing efforts to restore the honor of those public officials who were deprived of their posts in 1980 in the wake of the Wide-ranging house-cleaning campaign conducted by ex-President Chon's government.

In the case of the executive branch, the government has tentatively decided to offer 50 percent of salaries for those who were forcibly dismissed in 1980. Dismissed public officials are showing a negative reaction to the government's 50 percent salary formula.

PPD Criticizes No Remark on December Incident
SK1612005488 Seoul THE KOREA TIMES in English 16 Dec 88 p 2

[From the "Press Pocket" column: "Comment of Mutiny"]

[Text] Kim Tae-chung's Party for Peace and Democracy yesterday criticized President No Tae-u for having described the Dec. 12, 1979 incident as an inevitable involvement in politics by the military to restore social order and contain a national crisis.

PPD spokesman Yi Sang-su said in a statement that it became clear through the recent series of Assembly hearings that the Dec. 12 incident turned out to be an unlawful military coup by a few politically-oriented generals to grasp power.

He expressed regret over President No's remark, which seemed to justify the military intervention in the launching of the Fifth Republic.

Opposition Against No's 'Conservative Coalition'
SK1612004088 Seoul THE KOREA TIMES in English 16 Dec 88 p 2

[Text] While a presidential call for the solidarity of liberal democratic forces stirred up controversy among opposition groups, the ruling camp made efforts yesterday to prevent speculations on a conservative coalition.

Presidential spokesman Yi Su-chong denied reports that the ruling camp seeks a "coalition of conservative forces," making clear that President No Tae-u only stressed solidarity among the majority of people who believe in free democracy, in his talks with ruling party officials Wednesday.

"President No's remarks neither meant a coalition among the conservative parties nor the alignment of liberal democratic forces," Yi said.

"He intended to point out that the elements which try to overthrow the free democratic system, even if they are extremely small in number, for a systematic organization and tend to be more radical, while the absolute majority who believe in free democracy lack the determination to preserve it," Yi explained.

Presiding over the first weekly meeting of key post-holders of the governing party at Chongwadae Wednesday after the Dec. 8 reshuffle, No said, "A controversy over the state system may be raised in our society in the days to come," adding, "the people with sound ideas have to form a front to safeguard the democratic system."

No also said, "Presently, there are a majority of people in our society who support free democracy but they are forced back by a minority because they are not aligned."

He stressed, "There is a need to align them and to seek cooperation with the opposition party which is on the side of defending the democratic system."

Spokesman Yi also said clearly that there was no discussion on the method and the timing of the "interim assessment" during the meeting on Wednesday.

As to DJP chairman Pak Chun-kyu's utterance that the interim assessment is likely to take place in March, Yi said, "It was his idea."

Ruling party officials, meanwhile, tried to tone down the significance of President No Tae-u's assertion on cooperation with opposition parties, advocating the liberal democratic system as his opinion instantly stirred up hot controversy in opposition circles.

Floor leader Kim Yun-hwan said that it is "very natural" for the party president to have ordered his minority ruling party to pursue cooperation with opposition forces which have constituted a stable majority in the Assembly.

Party insiders, however, deemed No's remarks as a timely echo to Pak Chun-kyu's suggestion of a "case-by-case alliance for specific policies with oppositionists who back them up," apparently as a prelude to a fully-systematized coalition with conservative opposition parties.

The new party chairman denied that the DJP would exclude the hard-line PPD, led by Kim Tae-chung, in its search for an alliance but other party officials said that the PPD would hardly be considered a potential partner for alliance.

The PPD takes a tough posture on No's mid-term appraisal, which ruling camp thinks in the most crucial issue facing it at present, tacitly demanding that the result of the popular appraisal should affect the President's tenure.

The ruling party is wooing for a favorable reaction from the RDP, headed by Kim Yong-sam who once described the assessment as unnecessary.

But the most trustworthy alliance partner will be Kim Chong-pil's NDRP, who has clarified his commitment to conservatism. It is the smallest party but its parliamentary seats totalling 35, if augmented to the DJP's 125, will give the government party a working majority in the 299-member House.

NDRP Rejects Coalition Idea

SK1612011088 Seoul THE KOREA HERALD
in English 16 Dec 88 p 2

[From the "Out and About" column: "'Worthless' Idea"]

[Text] NDRP lawmakers seem worried that the people might suspect that the party is seeking to join hands with the ruling DJP.

Probably out of this concern, they instantly rejected as "worthless" President No's idea of forming an alliance of conservative forces to safeguard the democratic system.

"Go and ask him (President No)," party president Kim Chong-pil said, when asked of his views on the idea.

Spokesman Kim Mun-won said: "I don't think it is worth commenting."

RDP Seeks Autonomy in Large Communities First SK1612004488 Seoul THE KOREA TIMES in English 16 Dec 88 p 2

[Text] The opposition Reunification Democratic Party seeks to introduce local autonomy in the smallest administration units such as "up," "myon," and "tong" within a year after the local self-rule is implemented in larger communities.

The RDP submitted an amendment bill to the Law on Local Autonomy to the Assembly yesterday. According to the bill, local assemblies will be formed in special cities and provinces ("to") three months after the new Law on Local Autonomy goes into effect for the reintroduction of local self-rule after 27 years.

The bill provides that local autonomy will then be expanded to ordinary cities, counties and districts of special cities six months after local assemblies are formed on the provincial level.

The RDP and other opposition parties insist that the heads of the local administration units should be elected through direct, popular vote, instead of being appointed by the President.

The RDP bill stipulates that citizens aged 25 or over are eligible to be elected as members of the local assemblies, and those who run for mayors of special cities and provincial governors should be 35 years or older.

The opposition party decided in a meeting of key officers to pass pertinent laws on local autonomy in an extra full House session in January.

But heated controversy is expected between the opposition camp and the ruling camp over the level of communities where the local assemblies will be formed first and the method of selecting the heads of the local administration units.

The administration and the governing Democratic Justice Party already finalized their position to implement local autonomy first in smaller administration units such as ordinary cities, counties and districts of special cities with a plan to expand it to "do's" and special cities.

Hyundai Shipyard Strike Continues in Ulsan SK1512011188 Seoul THE KOREA TIMES in English 15 Dec 88 p 3

[Text] Hyundai Heavy Industries Co., the largest shipyard of the nation, remained paralyzed for the third straight day yesterday as about 18,000 workers continued their strike for higher fringe benefits and the rehiring of sacked trade union leaders.

A union leader said, on condition of anonymity, "Even though negotiations continue, it is unlikely that the issues will be solved soon."

The company, located in Ulsan, closed Monday when 18,000 of its 19 000 workers walked off the job.

Company officials said that the workers are asking for an annual bonus hiked from the present five times their monthly salary to six times, violating the existing contract.

But the company side maintained that it could not accept the workers' demands due to its deteriorating financial situation. The shipyard is expected to suffer a deficit of 120 million [currency not given] this year, it said.

New Daily Outlines Editorial Policy
SK1612005788 Seoul KUNGMIN ILBO in Korean
10 Dec 88 p 1

[Inaugural editorial: "Newspaper of Justice To Materialize Love, Truth, and Humanity"]

[Text] On the occasion of KUNGMIN ILBO's inauguration today, we would like to remind ourselves of the ultimate mission of the newspaper to center around the pursuit of the common good for an even better life for mankind.

All human beings desire a free and happy life in a peaceful environment. The history of mankind, however, shows that such a basic desire has never been fully satisfied.

This is precisely the cause of all the frictions in the world. The effort to overcome this problem is the essence and rule of life. Thus, it is all too clear that the world in which we live today is not excepted from such an essence and rule.

The industrial society established through the civilization of science has succeeded in accelerating our material affluence. Nevertheless, ideological competition has deepened friction and distrust throughout the world and has eventually brought us to a cliff where we cannot escape from the fear of a nuclear war, despite mankind's desire for peace.

We gaze at a nearby place, not a distant world. Nearly half a century has passed while the consanguineous people, who can never turn away from one another, have begun to feud with and slander one another after they took half of the divided country. Nonetheless, the situation is that we cannot even predict when this horrible confrontation will end. Even though we know this is a wrong development of national history and the tragedy of fratricide, the concept of solution can be found neither in the South nor in the North, because of a chronic insensibility.

We agreed on free democracy and have made strenuous efforts to maintain and develop it. This is the history of our constitutional government. However, what we have shared has been only a sham democracy.

We have fallen into economic arrogance. However, the situation is becoming so serious that we can no longer ignore the frustrations of those who have been suppressed under the shadow of the high growth.

All of us feel uneasy, because we worry that man's wish to live an even freer and happier life in peace may evaporate like a mirage amid the ideological discord.

The decision to found KUNGMIN ILBO with the ideas of love, truth, and humanity was based on the sense of mission that we should become the light and salt of this world as a public tool to solve such problems of the era.

Neighbors with love, a society with truth, a country with human dignity, and a world that opposes war and loves peace: these are KUNGMIN ILBO's goals and its far-reaching ideal.

As to the basic direction of KUNGMIN ILBO, the fulfillment of these ideas will be the yardsticks of judging the value, and all news reporting and commentary-writing activities as well will be conducted from this perspective.

Today, Korean journalists can confirm their positions as watchdogs who have witnessed the nation's ups and downs and who have shared the people's joys and sorrows through the half-century period of Korean journalism. However, they cannot say "yes" if asked if they have fulfilled their public responsibility for the history and era. We think this is precisely the agony and debt currently imposed on Korean journalists.

To illuminate the future of the nation and become an honest writer of history, Korean journalists need a strict self-examination and a drastic transformation from the stiff constitution. Unless old habits are broken and weakness is overcome, we believe it is difficult to fulfill the mission of a sound and free press required for the future.

The inevitability of KUNGMIN ILBO's founding can be explained precisely with this logic. KUNGMIN ILBO will maintain dignity as the newspaper of justice by firmly opposing commercialism that normally enslaves the press and opposing the eroticism which is employed as a means to seek commercialism.

Publishing a newspaper which can be sold and read is a very important matter on the side of business management. However, KUNGMIN ILBO will never seek the commercialism of reporting untruths as truths to be read by the people. If we think we are doing something right, we will report courageously, even if this should be a

solitary assertion. And, if we believe something is untrue, we will never surrender to intimidation or placation, but will maintain our faith and courage.

We will take the lead in making free democracy take root in this land and will concentrate our news reporting and commentary writing on resolutely opposing any dictatorship. In addition, we will direct deep attention to expanding the territory of a life worthy of man for those who are poor and isolated.

Without a free press, true democracy is impossible. The free press should fulfill its responsibility of playing the role of a furnace that reduces the various opinions of the people.

Democracy is possible only through the harmony between the creation of the public opinion based on truth and the political system that accommodates it. Thus, the free press is indeed a bedrock of democracy.

KUNGMIN ILBO will consistently maintain the far-reaching and progressive conscience of the nation in settling the question of the fatherland's reunification, which is the cherished desire of the 70 million compatriots. It will maintain vigilance over the narrow-minded security theory and the pursuit of the shortsighted interest by any circles.

The peaceful reunification of the North and South is currently being delayed. This normally is explained with the relationship of dynamics in the international political order. More basically, however, we think this is because we have become the slave of the prejudice, bigotry, and wrong idea with which we hesitate to recover the conscience of the nation.

We will direct deep interest to concentrating the wisdom of the nation by galvanizing the people's will of reunification and overcoming a stereotyped concept of the past.

We will deeply realize the heavy responsibility of the press in leading the development of the national history. Thus, KUNGMIN ILBO ardently hopes that it will earn its readers' affection as a newspaper which casts hope for the future of the nation and as a true and fair newspaper of justice.

To this end, the staffers of KUNGMIN ILBO will never become lazy in making strenuous efforts to improve their quality and establish the view of ethics as journalists.

We extend our sincere gratitude to those at home and abroad who sent encouragement and support for the founding of KUNGMIN ILBO and we solicit more affection and guidance from them so that KUNGMIN ILBO will become a newspaper by the people, for the people, and of the people.

Agency To Honor Abducted Independence Figures
SK1412014688 Seoul THE KOREA HERALD
in English 14 Dec 88 p 3

[Text] The government will award medals and citations to the 26 former independence fighters who were abducted to Communist north Korea during the 1950-53 Korean War, if their contribution to the independence movement is confirmed.

The Patriots and Veterans Affairs Agency yesterday said the 26 people include Kim Kyu-sik, Cho So-ang and An Chae-hong who fought for the nation's independence from Japan's colonial rule.

They had been excluded from the government list of honored former independence fighters who have received medals, citations and annuities from the government for their meritorious actions.

Many of them had been considered leftists or anarchists.

Historians and academicians, however, had suggested that the kidnapped former independence fighters also be given honors to rectify the "biased" history of the national independence movement, the agency said.

The 26 also included those who participated in the issuance of the historic March 1 Independence Declaration in 1919 and members of the Shanghai provisional government during Japanese colonial rule of the nation.

Official Injured at Nuclear Plant Protest
SK1412013788 Seoul THE KOREA HERALD
in English 14 Dec 88 p 3

[Text] A Korea Electric Power Corp. (KEPCO) official suffered a broken nose yesterday when residents from three nuclear power plant sites attempted to storm the KEPCO headquarters in southeastern Seoul.

U Kwang-ho, 30, underwent surgery at Hani Hospital after he was hit by a piece of glass shattered by stones hurled by the demonstrators.

The estimated 400 protesters, who staged an overnight sit-in at the nearby annex of the KEPCO, tried to charge into the main building at 9:40 a.m. demanding "sincere answers for their requests."

About 100 security guards blocked them, provoking demonstrators to throw stones into the building. U suffered the injury while he and about 400 other junior officials were standing guard inside the building.

The demonstrators returned to the annex after the incident and continued their sit-in, singing songs and chanting slogans.

A KEPCO spokesman said that two rounds of talks between the demonstrators and corporation officials on Monday failed to produce any agreement.

The demonstrators insisted on the relocation of their houses away from the plant areas, which the KEPCO could not accept, according to the spokesman.

He said that the KEPCO offered to take up the expense of radiation testing in the plant sites and to provide a blueprint for the regional development of the plant areas.

Ministry To File Complaint

SK1412030488 Seoul THE KOREA TIMES in English
14 Dec 88 p 3

[Text] The Science-Technology Ministry [MOST] has decided to file a complaint against the Korea Electric Power Corp. [KEPCO] for its unsafe handling and disposal of waste from the Kori Nuclear Power Plant, the ministry said.

The ministry Monday confirmed that the waste unearthed near the Nuclear Power Station No. 1 in Kori, South Kyongsang Province is radioactive but said that the amount of radiation was not harmful.

The confirmation came after a series of protests by residents near the three nuclear power stations following the discovery of the alleged radioactive waste, including a rubber glove and vinyl shoe cover.

"The KEPCO cannot avoid responsibility even though the amount of radiation in the unearthed waste and soil is not hazardous to human bodies," a high-ranking MOST official overseeing the matter said.

Ansan Office Distributes No Plea for Chon

SK1512010788 Seoul THE KOREA TIMES in English
15 Dec 88 p 3

[Text] Suwon—The education office of Ansan near here has been found to have dispatched copies of 'President No Tae-u's recent statement soliciting a political pardon for his predecessor Chon Tu-hwan to schools in the city in an apparent effort to create an atmosphere sympathetic to its message among teachers and students.

Mailing the copies of the presidential message, the education officials instructed the city's 49 primary, middle and high schools to ask their teachers to build up such a mood among students.

The schools were told to report to the education office the ongoing reactions of teachers and students daily not in written document but by telephone.

Some schools drafted programs on the basis of the contents of the presidential message to rally support.

But others did not carry out the programs in fear of protests from teachers as well as students.

Foreign Businessmen Subject to Tax Probes

SK1412022088 Seoul THE KOREA HERALD
in English 14 Dec 88 p 6

[Text] Foreign industrial plant exporters, who have often enjoyed tax-free business here, will face strict tax administration before withdrawing from the country.

An increasing number of foreign contractors have sold or constructed industrial plants in the nation as its economy keeps expanding and internationalizing.

Most of the foreign businessmen, however, left the country deliberately without even making business registration or reporting their business income to dodge corporation taxes, the Office of National Tax Administration [ONTA] said yesterday.

The ONTA will conduct an across-the-board tax investigations into those plant exporters, including nuclear power plant contractors, who have failed to take proper procedures for doing business here.

Those contractors who applied for business registration with wrong regional tax offices, should change their registration of offices administering their construction sites, an ONTA spokesman said.

The ONTA will collect information from the Ministry of Construction and the foreigners' Korean partners to prevent tax evasion.

It also will toughen tax control on the Korean businesses which make large amounts of foreign business transactions by obliging them to submit detailed business records, the spokesman said.

Those subject for presenting detailed foreign business records include manufacturers or contractors with annual turnover of 200 billion won or more, traders with 50 billion won or more in total sales and fisheries firms with 20 billion won in annual turnover or more, he said.

BOK Predicts 12.1 Percent 1988 Economic Growth

SK1412023688 Seoul THE KOREA TIMES in English
14 Dec 88 p 6

[Text] The nation's economy is expected to register an impressive 12.1 percent growth this year with the per-capita GNP reaching \$3,728, the Bank of Korea [BOK] said yesterday.

The sharp rise in local demand has successfully overcome lackluster export performances caused by the sharp appreciation of the national currency to realize the 120 percent level growth for the third consecutive year since 1986, the central bank said.

At the same time, the 12.1-percent growth will be the sixth highest in history. The highest record of 14 percent was made in 1973.

Meanwhile, the gross domestic product (GDP) which means GNP minus output in the overseas sectors is estimated to rise 11.0 percent.

Predicting that the per capita GNP will break through the \$3,000-mark this year for the first time in Korea on the back of the high economic expansion and the mounting won, the central bank put next year's per capita GNP at around \$5,000.

The agriculture-fisheries industry, which witnessed minus 4.8 percent growth last year, rebounded strongly to chalk up an 8.4 percent hike in its output and the stable growth of the heavy chemical industry centering in electronic and electrical appliances, helped to present a relatively high 13.5 percent hike in the manufacturing sector, the central bank said.

Along with this, on the supply side, private consumption increased 8.1 percent over last year and total fixed investment rose 10.6 percent due to brisk investment in the public construction sector.

The remarkable boost in local demand successfully made up for the slowdown in exports, providing the main force for the high economic growth.

The portion of contributions to the GDP growth this year broke down to 48.7 percent from the local consumption side and 48 percent from the export side, the Bank of Korea revealed. It is the first time that the growth of domestic consumption exceeded that of exports in Korea.

However, this mounting rise in domestic consumption posed a problem as the hike was generated mainly by increase in the sales of luxurious items like passenger cars and video tape recorders. Officials at the BOK pointed out that this can be interpreted as showing extravagant ways of life prevailed among people with higher living standards.

In terms of amount, the central bank put the current GNP at \$156.1 billion, up 16.9 percent over last year and the per capita GNP at \$3,728, up 30.3 percent from last year's \$2,861.

Meanwhile, the gross investment ratio against the GNP went up 1 percentage point from last year to 30.2 percent and the gross savings ratio increased from 36.7 percent to 38.4 percent, according to the central bank.

Increase Rate by Industry & Expenditure on GNP (Percent)

| | 1986 | 1987 | 1988 |
|------------------------|------|------|------|
| gross domestic product | 11.7 | 11.1 | 11.0 |

| | 1986 | 1987 | 1988 |
|--|------|------|------|
| industries | 12.1 | 11.3 | 11.4 |
| agriculture, forestry & fishing | 3.9 | -4.3 | 8.4 |
| mining & manufacturing | 16.8 | 15.7 | 12.6 |
| electricity, gas, water & construction | 9.7 | 14.7 | 10.5 |
| others | 11.8 | 12.0 | 11.5 |
| expenditures on GNP | 11.7 | 11.1 | 11.0 |
| final consumption expenditures | 7.3 | 7.7 | 8.5 |
| (private) | 6.4 | 7.0 | 8.1 |
| (government) | 12.6 | 11.8 | 10.4 |
| gross capital formation | 15.4 | 13.6 | 10.6 |
| exports of goods and services | 26.5 | 24.0 | 11.3 |
| imports of goods and services | 18.5 | 21.2 | 13.0 |
| gross national product | 12.3 | 12.0 | 12.1 |

(at 1980 constant prices)

Government To Freeze Steel Exports in 1989
SK1412024588 Seoul YONHAP in English
0156 GMT 14 Dec 88

[Text] Seoul, Dec. 14 (YONHAP)—The government will freeze next year's steel exports at this year's level and expand imports to stabilize the demand and supply of steel products, the Trade and Industry Ministry said Wednesday.

In line with the government plan, next year's expected production increase of 2.40 million tons of steel goods will be earmarked for domestic demand, according to the ministry.

The ministry will enforce the export recommendation system for galvanized plate and steel sheet which are expected to be in short supply for a time due to suspended operations at Union Steel Manufacturing Co., while strengthening its control on steel companies to observe their respective production and shipment plans for hot coil and cold rolled sheet which are also expected to be in short supply.

As a step to expand steel imports, the ministry will extend the period of the tariff quota system on such steel products as cold rolled sheet to the end of 1989, while newly selecting other steel items including steel pipe to benefit from the system.

It also plans to allow urgent imports by steel companies of galvanized plate.

The ministry will encourage domestic steel companies to preferentially meet the cooperative purchase demand of small businesses and the individual demand for such items as pipes for agricultural use and materials for chimneys.

In 1989, the steel demand will increase 14.2 percent from this year, while production will rise 12.8 percent, resulting in a shortage of 885,000 tons, according to the ministry forecast.

Meanwhile, the ministry will study various support plans to expand the supply capability of steel companies including special foreign currency loans, a tariff cut on facilities and a price rise for such items as pipe which show worsening profitability.

Ministry Reports on Interest Deregulation
SK1412032388 Seoul YONHAP in English
0240 GMT 14 Dec 88

[Text] Seoul, Dec. 14 (YONHAP)—An expected rapid rise in interest rates did not occur during the first week since the deregulation of lending rates early this month, the Finance Ministry said Wednesday.

Nor did the expected exodus of a massive amount of funds from banks to non-banking financial institutions take place, a report by the ministry said.

The report, which analyzed the trend of interest rates in the market since Dec. 5 when the deregulation took effect, said the current yield of corporate bonds dropped from 13.64 percent as of Dec. 3 to 13.59 percent as of Dec. 10.

During the same period, the current yield of monetary stabilization bonds declined from 12.96 percent to 12.88 percent while that of national housing bonds fell from 12.25 percent to 12.18 percent.

The call rate rose 0.1 percentage point to 8.7 percent, but that between non-banking institutions in the over-the-counter market sharply dropped from 11.5 percent to 10.1 percent.

The discount rate for B class bills in the black money market remained at 17.4 percent during the period.

The discount rate applied for A class bills issued by short-term finance companies dropped from 11.9 percent to 11.88 percent in Seoul and 11.86 percent in provincial cities.

On the movements of funds in the financial market, the report said that savings deposits with banks surged 598 billion won (about 873 million U.S. dollars), aided by a sharp rise in free savings deposits for business firms, which increased 352.7 billion won (about 514.9 million dollars).

The government had feared that a massive amount of money could move from banks, after the deregulation, to secondary financial institutions, with investors seeking higher interest rates.

Instead, deposits with non-banking institutions dropped, the report said.

Sales of bills issued by short-term finance firms declined 281.3 billion won (about 410.7 million dollars) while sales of corporate bills fell 114.7 billion won (about 167.4 million dollars).

Sales of bond-type beneficiary certificates by investment trust companies dropped 9.6 billion won while those of trust-type beneficiary certificates plummeted 34.6 billion won.

Sales of stock-type beneficiary certificates, however, rose 72.5 billion won thanks to bullishness of the Korean stock market.

Despite Problems Economy Sees 12-Percent Growth
SK1612011688 Seoul THE KOREA TIMES in English
16 Dec 88 p 6

["News in Review" by economic editor Yu Chin-su: "Sound Spending, Brisk Investment To Prop Up High Economic Growth"]

[Text] The national economy swiftly shifts to a picture of fantastic growth of 12.1 percent this year, blacking out the earlier projection of 10 percent, according to the Bank of Korea. In very impressive action, the economy has overcome the draconian wage rises and the drastic appreciation of the won against the U.S. dollar.

The economy performed miracles as it maintained an eye-popping growth for the third straight year—12.3 percent in 1986, 12 percent in 1987 and the estimated 12.1 percent this year. The remarkable growth will rocket per capita income from \$2,861 last year to an estimated \$3,728 this year.

Of vital significance is that domestic spending outdistanced exports in terms of contributing to the double-digit growth. This means that Korea will find itself able to erase the longstanding notion that exports lead the economic growth.

However, the nation has still big problems lurking on the way to its leap into the ranks of global economic leaders.

Drawing keen attention is the steady decline of the export increase rate in this export-oriented country. The rate was 26.5 percent in 1986 and 24 percent in 1987. It was forecast to plunge to 13.5 percent this year. Exports have so far led the economy, exerting a great influence on domestic consumption.

The speedy appreciation of the Korean currency against the greenback and the worsening labor disputes are expected to damage exports further. The ever-mounting pressure from outside to open domestic markets wider to foreign goods and ensuing trade friction will also do harm the export-based economy.

Discouraged by the letup in export performance, the export growth of the manufacturing industry fell to 13.1 percent this year from 16.4 percent last year. It has been projected to decline further to 10 percent next year.

Propping up the dazzling economic growth are the bumper harvests this year. The agriculture-fisheries sector will see growth soaring to 8.4 percent this year from a decline of 4.3 percent last year. The contribution of the manufacturing sector to the economic growth is likely to drop from 47.8 percent last year to 40.2 percent this year. In contrast the contribution of the agro-fisheries sector galloped from 5.1 percent to an estimated 8.7 percent. In other words, record crops of rice and red peppers nurtured the economic harvest this year.

The dwindling investment in industrial equipment and facilities also casts a dark cloud over the economy for next year. Facility investment grew 31.4 percent in 1986. The growth was only 14.7 percent last year. It was predicted to shrink to 9.7 percent this year.

Despite the slowdown in facility investment, domestic demand was boosted with the help of rising consumption: private spending is expected to increase from 7 percent last year to 8.1 percent this year. As a result, its contribution to economic growth will climb from 45.7 percent last year to 48.7 percent this year.

The comparative tally shows that a greater portion of economic growth has not gone to investment projects but to spending. Problematic is the fact that the growing spending centered on highly priced consumer durables including passenger cars and airconditioners.

The expansion of spending stemming from increasing wages and incomes will help the nation reduce its dependence on merchandise exports for economic growth. However, the heavy spending is likely to foil a sought-after policy of fostering a sound climate for domestic spending.

And overspending will engineer shrinkage of investments. The overheated spending is also irritating commodity prices. As of the end of last month, consumer prices had surged 6.3 percent and are likely to reach the dangerous level of 7 percent by the year's end. The government's earlier goal was set at 5 percent.

Judging from the figures, the nation will no longer enjoy double-digit economic achievement from next year on. The Bank of Korea has predicted that the economy would register 8 percent growth next year. The Economic Planning Board forecast the same economic growth yesterday. Economists shared the view that the double digit will disappear this year.

The astonishing economic growth will prompt the United States, the European Economic Community and the other advanced countries to envy Korea. Korea will surely come under stronger pressure to accelerate the

won appreciation. Stronger trading partners of Korea will also make all-out efforts to have Korea clear all sorts of trade barriers for free inflow of their goods here.

One of the most urgent things the nation has to tackle is to stabilize commodity prices for economic stability. The government has also to keep spending healthy to promote sound economic growth. And an economic environment should be established to encourage business concerns to plough back their earnings into production.

Industries Seek 5-Percent Won Appreciation
SK1612020488 Seoul YONHAP in English
0143 GMT 16 Dec 88

[Text] Seoul, Dec. 16 (YONHAP)—The Korean won currency should not be allowed to appreciate more than five percent next year against the U.S. dollar if the feared rash of bankruptcies of domestic businesses resulting from a possible dull increase in the unit export price are to be reduced, the Federation of Korean Industries said Thursday.

As of Thursday, the won's value has risen 15.7 percent against the greenback since the end of last year.

The federation also proposed that the government establish industrial complexes in Southeast Asia and other regions which have cheap manpower and abundant resources. It said the establishment abroad of industrial estates is necessary to expedite overseas investments by small- and medium-sized firms.

The federation also suggested that special foreign currency loans be expanded to 10 billion dollars to encourage both the relocation abroad of declining industries and overseas investment of small businesses in the face of the won's rapid appreciation and rising protectionism of developed countries.

EPB Predicts Creditor Status for South in '89
SK1612025888 Seoul YONHAP in English
0249 GMT 16 Dec 88

[Text] Seoul, Dec. 16 (YONHAP)—South Korea's external assets are expected to exceed its external debt for the first time next year, making the country a creditor nation, the Economic Planning Board (EPB) said Friday.

Korea's foreign debt is likely to decrease by 3.5 billion U.S. dollars to 28.5 billion dollars next year while its foreign assets are projected to reach 31.5 billion dollars, the EPB said.

The board said the government is likely to repay one billion dollars in foreign bank loans, which have unfavorable service conditions, ahead of schedule next year.

The government is also expected to repay 500 million dollars in public loans and 500 million to one billion dollars in foreign debts of state-run companies.

Meanwhile, the EPB said the volume of Korea's exports is expected to increase 8.9 percent, but the exports' value is likely to climb 16.7 percent to 70 billion dollars. The imports' value is expected to rise 23.8 percent to 65.0 billion dollars.

Exports of heavy chemical goods are likely to rise 20 percent, aided by brisk shipments of vehicles, semiconductors and computers, while exports of light industrial goods are expected to grow merely 11.6 to 15.4 percent due to weakening price competitiveness.

Imports of crude oil and grains are expected to increase slightly, aided by stabilization of international prices of those goods. Imports for domestic use are expected to rise sharply due to import liberalization measures and tariff cuts by the government.

Imports for export use, however, are expected to decline substantially because of a fall in export volume as well as localization of a considerable amount of machinery, raw materials and parts.

Burma

Swiss Ambassador Calls on Election Commissioners BK1512142288 Rangoon Domestic Service in Burmese 1330 GMT 15 88

[Text] Mr Armin Kamer, ambassador of Switzerland to the Union of Burma, called on the chairman and members of the Commission for Holding Democratic Multiparty General Elections at No 94, Natmauk Road, Bahan Township, Rangoon, at 1000 today.

During the meeting, the chairman and members of the Elections Commission cordially and frankly answered questions and gave explanations concerning the multiparty general elections.

Information Officers Hold 17th News Conference BK1612144088 Rangoon Domestic Service in Burmese 1330 GMT 16 Dec 88

[Text] The 17th news conference was held at 1300 today at the reception hall of the Ministry of Defense. Thirteen persons, including students, who returned with explosives, arms, and ammunition from KNU [Karen National Union] camps after they learned of the true stand of the Defense Forces, met local and foreign journalists.

The news conference was attended by members of the Information Committee of the State Law and Order Restoration Council, managing directors and directors of the News and Periodicals Corporation, and journalists from foreign news organizations—BBC, VOA, AP, XINHUA, ASAHI SHIMBUN newspaper, ANTARA, UPI, AFP, REUTER, TASS, and NEWSWEEK, and the parents of the returnees.

The students who returned reported their experience and answered questions from journalists. The news conference ended at 1415.

The students who reported to military camps brought with them the following explosives, arms, and ammunition: 23 1-pound TNT slabs, 2 half-pound TNT slabs, 95 feet of quick detonators, 52 feet of slow detonators, 4 (tetryl) explosives, 4 M-60 fuses, 2 time clocks, 33 M-7 burning type detonators, 33 electric detonators, 9 anti-personnel mines, 1 .22 revolver, and 80 rounds of .22 ammunition, 2 carbines, 2 short magazines, 60 rounds of shells, and 4 M-60 hand grenades.

Aung Gyi Forms Union National Democracy Party BK1612143488 Rangoon Domestic Service in Burmese 1330 GMT 16 Dec 88

[Text] The Union National Democracy Party [UNDP], which has its headquarters at No 2/4 Shinsawpu Road, Sanchaung Township, Rangoon Division has been permitted registration as of 14 December 1988 in accordance with Section 5A of the Political Parties Registration Law. This was announced in Announcement No 169 of the Commission for Holding Democratic Multiparty General Elections.

The Union National Democracy Party has been formed with the following Patron and Executive Committee:

Patron: U Aung Gyi, retired brigadier general;
Chairman: U Kyaw Myint Lay, BA, BL, former vice chairman of the Asian Youth Organization, former chairman of the Economic and Trade Organization;
Vice chairman-1: U Tha Hto, MA, D.E.P., retired professor, Institute of Economics, former treasurer of the Asian Youth Organization;
Vice chairman-2: U Khin Khin Maung, BA honors, retired police; commissioner, member of Burma Police, grade 1;
General Secretary: U Kyi Han, retired ambassador;
Secretaries: U Tun Shein, former joint chief frontier administrator; U Thein Naing, BA honors, winner of award for literature on fine arts and national literary award winner, vice chairman of Upper Burma Writers Association, 1964-68, Burmese honors demonstrator;
Members: U Min Din, BS, MS, U.S.A., retired director general of mines; Dr Daw Thin Kyi, BA, BEd, PhD, U.S.A., retired professor of geography, former member of the Asian Youth Organization; U Ba Shwe, retired ambassador; U Khin Nyo, chairman of Burma Economic Development Corporation [BEDC]; U Soe Aung, BA, BL, advocate; U Nan Lwin, general manager of Continental Trading House, BEDC, retired officer of Five Star Shipping Corporation; U Ba Thein, sound technician; U Soe Myint, BA law, LLB, LLM; U Zaw Lin, BE petroleum; and Dr Sein Yi, Meiktila, M.B.B.S., Rangoon.

More Political Parties Announce Programs

Rakhine Races Party

BK1512115988 Rangoon Domestic Service in Burmese
1330 GMT 14 Dec 88

["Press Release No 149/88 of the Commission for Holding Democratic Multiparty General Elections, dated 14 December—the 6th day of the waxing moon of Nadaw, 1350 Burmese era"]

[Text] 1. The following are extracts of the objectives and future programs of the Rakhine Races United Democratic Party, which has registered with this Commission for Holding Democratic Multiparty General Elections in accordance with the Political Parties Registration Law, and which has its headquarters at New Burma Printing Press, Main Road, Sittwe, Rakhine State.

2. Aims:

A. To continue to uphold the Rakhine people's traditional characteristics, such as restraint, fortitude, and loyalty, and to value language, literature, and culture through nurturing and research; to believe in peace and democracy, and to work for the national welfare through the strength of unity.

B. All political parties are political friends and exchange of views between parties is valued—to join hands and work with those who have similar views, stands, and noncontradictory attitudes.

C. To always strive for the emergence of the future Rakhine State as a genuine, free, and substantially high status state enjoying equal rights in economic, political, defense, and financial matters as those enjoyed by all the other national people of Burma.

3. Programs:

A. To strive for a peaceful human society under the guidance of moral ethics and a free and highly developed economic status through the strength of unity.

B. To effectively serve the unity of all national people of the union through the unity of the Rakhine people.

C. To ensure that the democratic multiparty system of Burma shall always be a vital and progressive democratic system.

D. To join hands and work on an equal basis with other political parties with similar stands, objectives, and views for the development and welfare of the union.

Justice Party

*BK1512132288 Rangoon Domestic Service in Burmese
1330 GMT 14 Dec 88*

["Press Release No 150/88 of the Commission for Holding Democratic Multiparty General Elections, dated 14 December—the 6th day of the waxing moon of Nadaw, 1350 Burmese era"]

[Text] 1. The following are extracts of the objectives and future programs of the Justice Party, which has registered with this Commission for Holding Democratic Multiparty General Elections in accordance with the Political Parties Registration Law, and which has its headquarters at No 47, Nyaungbin Street, South Magyidan West Ward, Kemmendine Township, Rangoon Division.

2. Aims:

A. To strive for the emergence of a genuinely democratic government which guarantees basic human rights and a free capitalist economic system which are in accord with the wishes of the people.

B. To unambiguously implement and practice a capitalist economic system in order to make Burma a developed and rich country in a manner similar to the developed and rich capitalist countries of the world.

C. To safeguard human rights so that all citizens can fully enjoy these rights.

D. To protect and safeguard together with the national people, in solidarity and unity, the perpetuation of the country's independence.

E. To guarantee citizens' rights to wealth and property and to safeguard against the loss of these rights.

3. Programs:

A. To allow and guarantee the free conduct of foreign trade and foreign investment in Burma.

B. To allow the private sector to operate all economic enterprises of the country.

C. To safeguard the Burmese cultural heritage without breaking traditions.

D. To practice a free and open foreign policy and maintain friendly relations with all countries.

E. To work for free and equal medical treatment for the peasants, workers, and every stratum of society.

F. To allow the establishment and operation of private hospitals and clinics.

G. To allow free cultivation, production, and trading of agricultural products, and to transform it into a modernized agriculture of world standard.

H. To promulgate a law which guarantees the security of tenure to workers and safeguards their rights.

I. To form a people's defense forces of world standard which will safeguard genuine democracy.

J. To allow freedom of religion of one's choice.

National Fitness, Peace Party

*BK1612092088 Rangoon Domestic Service in Burmese
1330 GMT 15 Dec 88*

["Press Release No 152/88 of the Commission for Holding Democratic Multiparty General Elections, dated 15 December—the 7th day of the waxing moon of Nadaw, 1350 Burmese era"]

[Text] 1. The following are extracts of the objectives and future programs of the National Fitness and Peace Party, which has registered with this Commission for Holding Democratic Multiparty General Elections in accordance with the Political Parties Registration Law, and which has its headquarters at No 6, Komin Kochin Road, Bahan Township, Rangoon Division.

2. Aims:

A. To obtain genuine national fitness and peace.

B. To build a peaceful society of the national people.

C. To perpetuate the State.

D. To make today's youths strong-willed.

E. To have a brotherly feeling for each other.

3. Programs:

A. To raise the moral standard of youths by means of sports.

B. To strive in all respects for the building of a new peaceful society.

C. To practice and implement an active and independent nonaligned foreign policy.

D. To coordinate to systematically obtain foreign aid without strings attached.

E. To place emphasis on the productive capacity of peasants and workers.

F. To allow cooperatives and private enterprises to operate freely and equitably.

G. To cultivate and educate every person of age to serve in the interests of the country.

H. To cultivate and nurture everyone to be of good moral conduct and good health.

I. To allow full human rights for freedom of worship.

Brunei, Malaysia & Singapore

Malaysia

SRV, Burma Membership in ASEAN Viewed
BK1612063388 Kuala Lumpur BERNAMA in English
0503 GMT 16 Dec 88

[By A. Karim Shukor]

[Text] Singapore, Dec 16 (OANA-BERNAMA)—Malaysian Prime Minister Dr Mahathir Mohamed said Thursday [15 December] night that ASEAN could accept Vietnam as a member of the grouping in the future should it subscribe to the ideas of ASEAN.

Speaking at a TV panel discussion over the Singapore Broadcasting Corporation (SBC), he said ASEAN was not thinking of the question of a balance of power but general peace in the region.

ASEAN comprises Malaysia, Brunei Darussalam, Indonesia, Singapore, Thailand, and the Philippines.

"If we can have countries subscribe to ideas that we should not resolve any conflict through war, that is sufficient for us and it is not necessary for one bloc to have counter-balance to another bloc having military strength whatsoever," he said.

He said that ideology was not something decisive as it was before, adding that Malaysia now has diplomatic relations with all communist countries, and that "if Vietnam subscribes to the ideas of ASEAN, the system of government that it practices should not be something that stands in the way of Vietnam becoming an ASEAN member."

Mahathir said ASEAN's approach to the problem would be to try to cultivate Vietnam, Kampuchea, and Laos, and interact with them to see "how we can help each other".

He said he would imagine that eventually Vietnam was going to copy ASEAN's market economy system.

He added, however, that ASEAN did not wish to export its own beliefs to other nations.

"If they want to learn from the attitude of ASEAN, they are welcome but we are not going to preach," he said.

Answering a question, he said Burma was also welcome to join the grouping, but it would take time as it has to settle its internal problems first.

If Burma can subscribe to the ideas of ASEAN, it could join the grouping, he added.

Mahathir Comments on Relations With Indonesia
BK1612070588 Kuala Lumpur International Service
in English 0600 GMT 16 Dec 88

[Text] Datuk Sri Dr Mahathir Mohamed says that relations between Malaysia and Indonesia will contribute to the stability and success of ASEAN as a regional grouping. He points out that history has shown that deteriorated relations between Malaysia and Indonesia will cause tension and instability in Southeast Asia and will not benefit any other country. As such, good relations between the two countries should be received well by others and not cause any suspicion.

The prime minister was opening the first Malindo dialogue organized by the Youth Wing of UMNO [United Malays National Organization] in Melaka today. He cited the relations between USA and Britain as analogous to the relations between Malaysia and Indonesia. It has been seen that relations between the two English-speaking countries directly affect the world situation, while relations between Malaysia and Indonesia, which are both Malay-speaking countries, will directly affect the situation in Southeast Asia. The prime minister also stressed the need for second-echelon leaders of ASEAN countries to work closer together to enhance mutual understanding.

This afternoon, Datuk Sri Dr Mahathir is to join a closed-door session with the participants to the annual dialogue program between Malaysia and Indonesia. Forty Indonesian young leaders and 60 Malaysians are taking part this year.

Minister Urges Israel To Respond to PLO 'Plea'
BK1612062388 Kuala Lumpur BERNAMA in English
0517 GMT 16 Dec 88

[Text] Kuala Lumpur, Dec 16 (OANA-BERNAMA)—Malaysia has called on Israel to respond to the plea of Palestine Liberation Organisation (PLO) leader Yasir 'Arafat for peace talks.

Deputy Foreign Minister Abdullah Fadzil Che Wan said 'Arafat's call for peace Tuesday was a "clear, unequivocal gesture from the heart" which was supported by all peace-loving people.

"The Palestinians have taken a giant step forward in the path of a negotiated political settlement ... and Malaysia calls on all parties to respond accordingly," he said.

"Malaysia calls on Israel specifically to respond with equal sincerity and dedication," he said in his speech Tuesday [13 December] at the special session of the United Nations General Assembly in Geneva on the question of Palestine.

The PLO leader, in his address at the session, called on Israel to join the peace talks under UN auspices, and urged a peace settlement based on security for all states in the region including Israel and a Palestinian state. He also repeated his renunciation of terrorism.

Cambodia

Vietnamese Begin Seventh Troop Withdrawal *BK1612021588 Hong Kong AFP in English 2258 GMT 15 Dec 88*

[Text] Battambang, Cambodia, Dec 15 (AFP)—About 1,200 soldiers left here Thursday [15 December] at the start of Hanoi's seventh annual troop withdrawal from Cambodia, witnesses said.

Vietnamese authorities announced in May that "half the Vietnamese troops" in the country "or about 50,000 men" would be withdrawn this year.

Hanoi said at the beginning of December that 32,000 soldiers had been pulled out in the past six months and that the partial pullout would be completed on schedule.

Since Hanoi invaded Cambodia in late 1978, leading to the overthrow of the Khmer Rouge regime, it has kept a military force in the country which Western estimates put at 120,000 at the end of 1987.

Thursday morning about 60 antiquated military trucks left here along the rutted road for Sisophon, about 40 kilometers (25 miles) from the Thai border as the 1,200 troops from the 309th Vietnamese Infantry Division set off for home.

From Sisophon, the convoy will go to Siem Reap and Kompong Cham before reaching Phnom Penh, where an official ceremony will mark the pullout on Saturday [17 December].

Cambodian officials said the convoy would take the long detour in order to gather troops from the three garrisons that are to be pulled out.

The route also avoids a more direct one that passes through the Cardamomes mountain chain and the Tonle Sap River, where Khmer Rouge rebels are active.

The Chinese-backed Khmers Rouges are the strongest force in the tripartite resistance fighting the Hanoi-backed Phnom Penh government of Hun Sen. Followers of Prince Norodom Sihanouk and of former Premier Son Sann make up the two other groups.

The convoy went through roads decked with Cambodia's national colors. People lined the sides of the road in each town, with school children dressed in blue and white waving Cambodian and Vietnamese paper flags.

The Vietnamese "volunteers" flashed the "v" sign of victory as they passed aboard trucks carrying artillery pieces. Cambodian soldiers posted along the rout exchanged salutes with the parting Vietnamese.

Hanoi has said that it could withdraw its troops because of a decrease in guerrilla activity and because of an improvement by the Cambodian government forces.

Phnom Penh's forces comprises some 50,000 soldiers trained by Vietnam, plus around 100,000 men in the people's militias.

The Battambang region has been a Khmer Rouge stronghold since 1975, but the Vietnamese Army has destroyed most of the Khmer Rouge bases there.

Thursday's withdrawal signalled the first real pull out by Vietnamese troops, say Western experts who said previous withdrawals had amounted only to rotations.

The Vietnamese withdrawal is one of the conditions set by the Khmer Rouge before a political solution can be reached.

The non-communist Association of Southeast Asian Nations (ASEAN comprising the Philippines, Malaysia, Brunei, Indonesia, Singapore and Thailand) has also demanded Hanoi's withdrawal, as has China, which said recently that its decision on whether to continue aiding the Khmer Rouge depended on "an acceptable timetable" for the withdrawal.

The Vietnamese High Command said in June that 25,000 of its soldiers had been killed in Cambodia since 1978.

Journalists, Observers Witness Pullout *BK1512123488 Phnom Penh SPK in English 1105 GMT 15 December 88*

[Text] Phnom Penh, SPK December 15—Ninety two foreign journalists and observers have arrived here today to witness the withdrawal of 18,000 more Vietnamese army volunteers from Kampuchea due to begin today.

The pull-out is the last drive of the 7th withdrawal of 50,000 Vietnamese troops for this year.

They are from Australia, Belgium, Cuba, Czechoslovakia, Finland, France, the Federal Republic of Germany, the German Democratic Republic, Hungary, INRP [expansion unknown], Italy, Japan, the Republic of Korea, Laos, Malaysia, Netherland, the Philippines, Poland, the USSR, Spain, Switzerland, Thailand, the U.K., the U.S.A., Vietnam, and Yugoslavia.

AFP Reports Hun Sen's News Conference
BK1612151488 Hong Kong AFP in English 1450 GMT
16 Dec 88

[Text] Phnom Penh, Dec 16 (AFP)—Cambodian Prime Minister Hun Sen said here Friday that China's position on the Cambodian problem was closer than that of resistance leader Prince Norodom Sihanouk to the stance of his government.

China has said it will stop aiding the Khmer Rouge once Hanoi withdraws its troops from Cambodia, but Prince Sihanouk has not renounced its support for the former Phnom Penh rulers, Mr Hun Sen told a press conference.

"Calling for a political and military role for the (Khmer Rouge) is not a solution that will lead to peace but will instead trigger another civil war which nobody will be able to contain or control," the premier said.

The Khmer Rouge are held responsible for the deaths of hundreds of thousands of civilians during their three years in power.

China, Mr Hun Sen added, "no longer seems to require a total Vietnamese withdrawal by June 1989, but by the end of that year," closer to Hanoi's timetable which envisages a total pullout by 1990.

The Hanoi-backed Cambodian premier was speaking as Vietnam began the final phase of its seventh partial troop pullout from Cambodia since invading in December 1978 to oust the Khmer Rouge and install a client government.

Vietnam announced in May that it would pull out half its remaining force, or about 50,000 troops this year. The last section of this group, a contingent of 18,000 by official count, began leaving Thursday.

Mr Hun Sen said "three-fourths of the Vietnamese troops" had been withdrawn altogether, suggesting that Hanoi had originally maintained 200,000 troops in Cambodia. Western experts estimated the force at 120,000 at the end of 1987.

The remaining troops would be repatriated in the first four months of 1990 "whether or not there is a political solution," he added.

Mr Hun Sen said the latest withdrawal "did not affect the situation in the field as Cambodian forces are ready to control the areas from which the Vietnamese soldiers are withdrawing."

Editorial Cites Gratitude to SRV Soldiers
BK1612103588 Phnom Penh Domestic Service
in Cambodian 2300 GMT 14 December 88

[Station editorial: "The Cambodian People Are Always Grateful to the Repatriated Vietnamese Army Volunteers"]

[Text] Furthering implementation of the statements dated 26 May and 16 October 1988 concerning the withdrawal of Vietnamese volunteer troops, the PRK and SRV Defense Ministries have agreed to repatriate six more divisions of Vietnamese Army volunteers, namely the 4th, 5th, 307th, 309th, 315th, and 339th Divisions, together with their commands for a total of 18,000 men. The second part of the troop withdrawal runs from 15 to 21 December 1988 via both overland routes and waterways. Including the previous withdrawals of 32,000 Vietnamese volunteer troops since June, This will complete the seventh withdrawal of 50,000 Vietnamese Army volunteers from Cambodia in 1988.

The withdrawal of this contingent of Vietnamese volunteer troops is taking place at a time when Cambodian people throughout the country are happily preparing to celebrate the 10th anniversary of the historic 7 January National Day, and at a time when the Cambodian revolution is in a strong, winning position, capable of being the real master of its motherland. In particular, the firm, strong KPRAF are now able to progressively assume the task of defending the motherland and the revolutionary gains.

At present, we are effectively using combined strength, joint plans, and concerted activities to promote our steadfast progress. We are maintaining our foothold along the western border of Cambodia. Our self-reliant regular and regional forces, police, and militiamen, in collaboration with Vietnamese Army volunteers, have built up their own units and fought the enemies in uncontrolled zones. Our people in every locality throughout the country have become much more confident of the party leadership and much more aware of the enemies' perfidious gambits aimed at continuing an aggressive war to topple our young regime and ensure a return of the genocidal Pol Pot clique to Cambodia.

Angered by this evil intention, the Cambodian people, who will perpetually bear hatred for the bloodsucking Pol Pot regime, have voluntarily sent their sons, grandsons, and spouses to serve in the Army, thereby contributing to the defense of the motherland. They have actively engaged in the proselytizing movement and have striven to build strong villages and communes as well.

Our political, economic, cultural, and social developments have progressively surged forward, and the people's living conditions have also improved. The building of the real revolutionary forces have been constantly expanded and consolidated with quality and quantity.

The PRK's national reconciliation policy and seven-point statement have been vigorously welcomed and supported by national and international opinion. The three rounds of talks between the comrade chairman of the Council of Ministers, Hun Sen, with Samdech Sihanouk and His Excellency Son Sann in France and particularly, the July informal meeting in Jakarta have been positively valued by world public opinion.

Although the meetings between the opposing Cambodian parties on a political solution to the Cambodian problem have not obtained significant results, the important point is that they have not only brought about a breakthrough in the stalemate that has dragged on for nearly 10 years, but have also created serious discussions on a settlement of the Cambodian problem.

This is a success that has elevated the PRK's image in the international arena. The so-called CGDK, on the other hand, has deteriorated and is about to collapse. Disputes in their inner circle have become more apparent and at times, they have even killed one another. The tendency to advocate the elimination of the criminal Pol Pot clique and its close accessories is spreading all over the world. Every day and in increasing numbers, misled persons, who were misdirected by the enemies' treacherous maneuvers, have awakened and deserted the enemy ranks to return to the national fold and their families.

This withdrawal of the Vietnamese Army volunteers, just as previous ones, has clearly shown our two governments' and peoples' just position, goodwill, and mutual straightforward assistance. It is also proof rebutting the libelous, ridiculous propaganda of hegemonic, expansionist China, the U.S. imperialist, and international reactionaries, especially the propaganda of the reactionaries within the Thai authority milieu who have distorted the reality of the Vietnamese volunteer troops' presence on Cambodian soil in an attempt to break up the special militant Cambodian-Vietnamese relationship and play down the influence and image of the two countries. They have openly conducted maneuvers against the revolution of the three Indochinese countries as well.

The Cambodian people will always remember the wholehearted support and assistance of the fraternal Vietnamese Army volunteers and people, and are decisively determined to crush all of the enemies' stratagems and plots.

In the past nearly 10 years, the Vietnamese Army volunteers have not only struggled side by side with the PRK Armed Forces and people to defend our motherland and revolutionary gains, but they also have energetically provided our people with all kinds of assistance in the restoration and building of our national economic structure, contributing to firmly promoting the cause of our revolution in all fields.

In the fulfillment of their proletarian internationalist mission in the PRK, many comrades in arms of the Vietnamese Volunteer Army have lost their lives or been disabled for the rest of their lives. The Vietnamese volunteer troops' sublime heroism and model of great sacrifice have been engraved in the Cambodian people's hearts. The Vietnamese comrades in arms' genuine and commendable proletarian revolutionary spirit, which always takes in consideration the common interest and always pays respect to the people, strictly adheres to the late President Ho Chi Minh's advice: "The struggle on the soil of a friend is equal to the struggle in one's own country." Their gestures have been vigorously respected and sympathized with by the KPRAF and the Cambodian people with their multifaceted support and assistance, widely and highly elevating the image of Vietnamese volunteer troops, the conspicuously talented children of the Uncle Ho land and of honorable socialism.

As a matter of fact, the great successes won by the Cambodian people in the past 10 years are inseparable from the support and assistance of the Vietnamese experts and volunteer troops. The Cambodian people are firmly resolved to triumphantly promote the special Cambodian-Vietnamese relationship forever and to give proper care for it as if for their own eyes.

Once again, on this withdrawal of the Vietnamese volunteer troops, the entire party, armed forces, and people would like to express their profound gratitude to the fraternal Vietnamese party, government, and people, as well as to the Vietnamese mothers and sisters who have wholeheartedly provided support and assistance to Cambodia, voluntarily sacrificing their children and husbands to accomplish their proletarian internationalist mission on Cambodian soil for the cause of the Cambodian revolution.

May the repatriated Vietnamese comrades in arms have the best of health, steadfast strength, and new, still greater successes for the cause of the Vietnamese socialist motherland.

We are resolutely determined to learn the splendid proletarian internationalist heroism model of the brotherly Vietnamese volunteer troops and to heighten the spirit of self-competency, striving toward effectively assuming the task of defending and building the Cambodian motherland; to build up and consolidate our armed forces, localities, and real revolutionary forces in every field, ready to counterattack and crush the enemies' every adventurous act; and to further strengthen and expand the special Cambodian-Vietnamese-Lao militant relationship and the solidarity with the Soviet Union and fraternal socialist countries throughout the world for the cause of peace and stability in Southeast Asia and the world.

Commentary Reviews Continuing PRK 'Revolution'
BK1612041988 Bangkok BANGKOK POST in English
16 Dec 88 p 4

[Commentary by Jacques Bekaert: "Still Emphasising the 'Revolution'"]

[Text] Reactionary forces, beware! Should the Pol Potists or anyone else try to "take advantage of the repatriation of the Vietnamese volunteer troops to carry on hostile acts against the People's Republic of Kampuchea (PRK), the Treaty of Friendship, Peace and Cooperation between Kampuchea and Vietnam remains valid and effective."

Thus warned Radio Phnom Penh in a December 6 broadcast. The treaty, good for a total of 25 years, was signed in 1979. According to Hanoi, at least 18,000 soldiers are due to go back home "by land and water and in different directions," as the radio put it.

This is part of the 50,000 men which Vietnam said last May will be repatriated in 1988. Hanoi, it seems, has played a bit with figures, and at the end it looks like 30-35,000 men will finally withdraw this year. Even East European sources agree that the 50,000 figure is somewhat ambitious, but insist that the important factor is not so much the magic 50,000 figure itself but rather the fact that so many *bo doi* (Vietnamese soldiers) are withdrawing this year.

In theory, this is the seventh annual withdrawal. Depending of whom you believe, it will by January 1989 leave around 50-90,000 Vietnamese *volunteers* in Kampuchea.

The present departure of troops "clearly shows the maturity of the Kampuchean revolution and the independence and right to self determination of the PRK," Radio Phnom Penh declared.

While a vast diplomatic movement was launched late last year—with several meetings between Prince Sihanouk and Mr Hun Sen, the JIM [Jakarta informal meeting] in Jakarta and the creation of two working groups (one in Jakarta, another one, strictly Khmer, in Paris), not to mention the efforts of the UN secretary general, the discussions between several ASEAN foreign ministers and their Vietnamese counterpart, or the talks between China and the Soviet Union—the PRK, at home, keeps the accent on the success and durability of its revolution and the importance of the party.

The People's Revolutionary Party of Kampuchea (PRPK), said another broadcast of Radio Phnom Penh on November 27, "is playing an increasingly important role in civil and military matters. Political education is the PRPK's primary task."

In past months the PRK Armed Forces, while still far from being the efficient and reliable army of the government, has demonstrated better fighting capacity, especially in the face of Khmer Rouge troops. And Radio Phnom Penh explained that the present Vietnamese withdrawal testifies to the fact that "the Kampuchean Revolutionary Armed Forces have gradually been able to assume the major part of the national defence responsibility." Along the Thai-Kampuchean border, Vietnamese divisions are probably still playing a key role, with at least eight divisions deployed from the Tri-borders area to Koh Kong, but six PRK divisions (the 5th, 284th, 179th, 6th, 196th and 4th, all severely understaffed) have been stationed in the same area, doing at least part of the job.

Going back to the origins of the Vietnamese intervention in Kampuchea in December 1978, Radio Phnom Penh claims that the "Vietnamese volunteer army came to Kampuchea at the earnest request of the Kampuchean people to help them topple the genocidal Pol Pot regime." I doubt Hanoi asked anyone's permission, since Democratic Kampuchea was seen as a major threat to Vietnam's national security, but given the nature of the DK regime, it is probable that most Kampucheans would have agreed to a *short* Vietnamese intervention.

Another important theme of both Hanoi and Phnom Penh propaganda has been, since 1979, to emphasise the *special* relationship between the three countries of Indochina. Vietnam in recent months has been more discreet about such special links, insisting rather on good bilateral relations between Hanoi and its two neighbours. Phnom Penh follows, and the official Radio Phnom Penh explains that Khmers should always "treasure the special Kampuchea-Vietnam solidarity, regarding it as the life-or-death factor for the development and maturity of the Kampuchean revolution."

Privately, Vietnamese and their allies prefer to point to the evolution of the socialist world, the changing role of ideology, the deep reforms transforming the very nature of many communist parties. The PRPK itself, faced with continuous economic problems (rice production remains well below the need of a fast growing population) has recently changed two articles of the Constitution to allow for an increased role of the private sector in the economy. But most of the regime's propaganda, expressed by the radio and four newspapers, remains remarkably untouched by the current wave of changes.

Revolution is still the key word, whatever that means. "The advance of the revolution," said Radio Phnom Penh, "remains the strategic common duty of the revolution and the three revolutionary objectives that must be reached at all costs." The meaning, if not the style, is clear. The factor that will determine the outcome of the present diplomatic struggle is "the building of the real revolutionary forces and the position of force on the battlefield."

Facing the PRK armed forces, the Khmer Rouge has shown no sign of backing down. Which probably explains why the broadcast asked Kampuchians to "guarantee complete safety for the present farewell."

Radio Phnom Penh also advised the citizens of the PRK to "behave correctly while contacting foreign guests or directly talking to them, and journalists to be worthy of being citizens of an independent state by clearly expressing the following determination: Pledge to defend and build the PRK; firmly maintain the close and ever more tightening and developing Kampuchea-Vietnam solidarity; vigorously condemn the genocidal Pol Pot-Ieng Sary clique; demand the elimination of genocidal Pol Pot and his close lieutenants; oppose the genocidal regime's return to power in Kampuchea."

A timely reminder, indeed. You never know how far the perversity of bourgeois journalists will stretch...

Fresh SRV Troops Arrive in December

BK1612013988 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 15 Dec 88

[Text] In the past few days, the Hanoi Vietnamese again and again shouted that they are soon withdrawing 18,000 of their soldiers making up the 50,000 troops to be pulled out from Cambodia. In fact, the truth is this:

1. On 31 November, the Hanoi Vietnamese brought 220 Vietnamese soldiers already dressed in Cambodian soldiers' uniforms from Vietnam along Route Nationale 2 to Phnom Penh, then on to Battambang provincial seat along Route Nationale 5, and then to Treng [Battambang Province] along Route 10 to reinforce the 305th Division, which has been dealt serious blows by our National Army.

2. On 8 December, the Hanoi Vietnamese sent 30 truck-loads of fresh Vietnamese troops, dressed in both Cambodian and Vietnamese soldiers' uniforms along Route Nationale 2 to Phnom Penh. After a night rest, they were taken to Battambang provincial town along Route Nationale 5.

3. On 5 December, the Hanoi Vietnamese brought in a regiment of fresh Vietnamese soldiers, dressed in Vietnamese uniforms, by sea to Kompong Som port and then along Route 4 to Phaong Samnam; a battalion was stationed at Rong Tuol and another at O Sdau in Phnum Sruoch District [Kompong Speu Province].

These reports clearly show that the Hanoi Vietnamese have not withdrawn their aggressor troops from Cambodia. The Cambodian people in every locality, particularly along the Cambodian-Vietnamese border have never seen the Hanoi Vietnamese withdraw their aggressor troops to Vietnam. On the contrary, they have only seen the Hanoi Vietnamese enemy aggressors successively sending fresh Vietnamese troops, dressed in the

uniforms of either Cambodian or Vietnamese soldiers, across the border into Cambodia. Thus, the Hanoi Vietnamese propaganda on troop pullout is just a deceitful maneuver to dupe international opinion.

VODK Refutes SRV Troop Withdrawal Claims *BK1612030288 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 15 Dec 88*

[Station commentary: "The Vietnamese Enemy Continues To Bring in up to 20,000 Fresh Troops From Vietnam"]

[Text] A few days ago, the Vietnamese enemy told the world that it has already withdrawn 32,000—of the 50,000 it said will be pulled out in 1988—of their aggressor troops from Cambodia. However, on the battlefields in Cambodia, the Cambodian people and the DK National Army operating everywhere in Cambodia have never seen the Vietnamese enemy pulling out a single truckload of their aggressor soldiers from Cambodia. They have only seen the Vietnamese successively sending in fresh troops across the border to Cambodia, both in the past rainy season and at the beginning of this dry season. A total of 20,000 soldiers have been brought in during this period.

In the rainy season, from June to September, the Vietnamese enemy brought in 16,127 fresh troops from Vietnam. At the start of this dry season, the Vietnamese enemy continues to bring in fresh troops from Vietnam to various battlefields in Cambodia. From the beginning of November to early December, a total of over 5,300 soldiers have been brought in.

This proves that in 1988, as in previous years, the Vietnamese enemy has been sending fresh troops to Cambodia to replace their troops, which have been killed or wounded in past battles. If the Vietnamese enemy had not successively brought in fresh troops from Vietnam, it certainly would not have been able to sustain its war of aggression in Cambodia for the past 10 years.

Therefore, the Vietnamese enemy's successive announcements on troop pullouts from Cambodia, like the one in 1988, are just deceitful propaganda attempting to dupe world opinion into believing that Vietnam has agreed to withdraw and that the war of aggression in Cambodia will soon end, thus, there is no need to pressure Vietnam anymore. And while the world is pinning its hopes for a political solution to the Cambodian problem on Vietnam's goodwill of unilaterally withdrawing its troops from Cambodia, Vietnam continues to bring in from Vietnam increasing numbers of fresh Vietnamese troops and Vietnamese nationals, change the nationality of these Vietnamese to Cambodian, and infiltrate them into the puppet army and administration to consolidate the occupation of Cambodia.

However, the Hanoi Vietnamese enemy aggressors cannot dupe the Cambodian people, the DK National Army, and other nationalist resistance forces, because they are all fighting fiercely against the Vietnamese enemy throughout the country every day. As for the wise international opinion, it neither believes nor accepts the Hanoi Vietnamese unilateral troop pullout announcement. People still continue to demand that Vietnam withdraw according to a set timetable and program within the framework of a comprehensive agreement on solving the Cambodian problem under scrupulous and appropriate international supervision and control.

Philippines

Shevardnadze Visit Said To Concern U.S. Bases
HK1612090988 Manila Radio Veritas in Tagalog
0700 GMT 16 Dec 1988

[Text] Soviet Foreign Minister Eduard Shevardnadze will visit the country to exchange views with Philippine Foreign Secretary Raul Manglapus on the U.S. military bases here. He will also discuss problems that confront Southeast Asia. The Soviet official's visit has been confirmed by the Soviet Embassy.

According to First Secretary Alexander Losyukov, topping the agenda will be Asian security issues. Losyukov also said that the dialogue will be based on Soviet Leader Mikhail Gorbachev's call to end tension in the region voiced in his Vladivostok speech, where he emphasized that any move by the United States to dismantle its military installations in the Philippines will be equally reciprocated by the Soviet Union. Shevardnadze is expected to arrive on 21 December for 2 days of meetings with Manglapus and President Aquino.

Meanwhile, bilateral talks between Manila and Soviet representatives will begin on 21 December. The bilateral talks to be held at the Philippine International Convention Center, will coincide with the arrival of Soviet Foreign Minister Eduard Shevardnadze.

Foreign Affairs Secretary Raul Manglapus said earlier that no specific agenda had been prepared for the meeting with Shevardnadze. However, he hinted that the talks will concern international issues, especially security.

Manglapus Notes 'Increasing Soviet Presence'
BK1612070188 Manila PNA in English 0643 GMT
16 Dec 88

[Text] Manila, Dec. 16 (OANA/PNA)—Philippine Foreign Affairs Secretary Raul Manglapus has noted an increasing Soviet presence in the Philippines.

"It is factual," he said of the Soviet presence, not militarily but visits by Soviet officials. The latest expected to arrive is Soviet Foreign Minister Eduard Shevardnadze who is visiting Manila on 21 and 22 December.

Asked during a press conference why there is an increasing Soviet presence, Manglapus said as a superpower, "they are interested in securing the anchors of their own position in world politics." [sentence as received]

Gorbachev Said Willing To Visit Manila
HK1612035188 Manila BUSINESS WORLD
in English 16 Dec 88 p 10

[Text] While President Aquino has a standing invitation to visit the Soviet Union, none has been extended in turn to Soviet President Mikhail Gorbachev to come to Manila.

"If such an invitation is given, it will be accepted with gratitude," Soviet embassy spokesman Alexandre Losyukov told reporters yesterday.

Asked whether such an invitation might be extended during the visit here of Soviet Foreign Minister Eduard Shevardnadze, Foreign Affairs Secretary Raul Manglapus replied: "That's for the President to answer...I'm not at liberty to make unilateral decisions. I'm sure the President would be happy to entertain such a suggestion.

"The President has her own ideas on this matter and I don't think it necessary...to advise her as Mr. Gorbachev is not an unknown quantity," he added.

Shevardnadze Visit

Mr. Shevardnadze's party, scheduled to arrive on Dec. 21, will be made up of high-ranking officials of the Soviet foreign ministry such as Deputy Foreign Minister Igor Rogachev; his assistants, Teymuraz Stipanev and Sergei Tarasenko; Ludwig Chizhov, head of the Asia-Pacific department; and, Genrikh Kireyev, head of the Asian socialist countries division.

"This visit is a clear manifestation of our intention to participate in the region," Mr. Losyukov said, noting that the Soviet foreign minister had already visited Australia, Indonesia and Thailand this year.

Soviet interest in the region, Mr. Manglapus supposed, is, "as a superpower...securing the anchors of their position, not necessarily militarily, in world politics and therefore, cannot ignore regions."

"The level of the talks defines the agenda. They will not go into small details. They will be eager to discuss the broader picture," the Soviet spokesman said, insisting that Mr. Shevardnadze would not be coming here to "explode a political bombshell."

Mr. Manglapus expressed interest in hearing Mr. Shevardnadze elaborate on President Gorbachev's recent UN General Assembly speech, in particular, because "the global approach (on debt) that he proposes is very close to what we proposed, in my speech at the General Assembly on Oct. 3 ...the formation of an international debt and development commission."

As to possible gains from this visit, Mr. Manglapus said the Philippines seeks only "friendship, the usual basis for bilateral relations, cooperation, and noninterference in each other's domestic affairs."

Being friends with the Soviets, Mr. Manglapus said, doesn't mean "we can't be friends with the U.S. Our policy is to embrace all nations, regardless of ideology, provided that embrace is not too tight that it stifles us."

Malaysia's Detention of Filipino Workers Viewed
HK1512130788 Quezon City GMA 7 Radio-Television Arts Network in Tagalog 1030 GMT 15 Dec 88

[From "GMA News" program]

[Text] Foreign Affairs Secretary Raul Manglapus has expressed concern over the reported detention of about 1,000 Filipino workers in Sabah for not possessing work permits.

Manglapus today met with Malaysian Ambassador Emam Mohamed Hussein to find out the real situation of the workers. The Filipino workers were reportedly being held in Sandakan and Kota Kinabalu.

[Begin Manglapus recording in English] We consider this contrary not only to the general principles of international relations, but also contrary to the announcement by the chief minister of Sabah that there has been an amnesty proclaimed and that this amnesty was applicable to the Filipino citizen. As you can see, if the reports are correct, then the opposite has happened. Instead of the amnesty covering Filipino citizens, Filipino citizens are being excluded and, in fact, being summarily deported. [end recording]

Daily on Saban Arrests
HK1612040988 Manila PHILIPPINE DAILY GLOBE in English 16 Dec 88 pp 1, 6

[By staff writer Julius Fortuna]

[Text] Thousands of Filipino workers in Sabah have been subjected to arrests and indiscriminate searches by authorities directly under the State government, the Department of Foreign Affairs [DFA] disclosed yesterday.

Foreign Affairs Secretary Raul S. Manglapus told reporters in his weekly briefing that he summoned Malaysian envoy to the Philippines Emam Mohamed Hussein to present the query to the Malaysian Wisma Putra (Foreign Ministry).

"I handed Hussein a note that the Department (of Foreign Affairs) expressed strong concern about reports that have come to us from Sabah that there have been house-to-house searches and immediate arrest, detention and deportation of Filipino citizens," Manglapus said.

Manglapus said the diplomatic protest was based on an official report of Philippine ambassador to Malaysia Pablo Suarez. Embassy officials in Kuala Lumpur have been instructed to conduct more investigations, Manglapus said.

Manglapus complained that what was happening is contrary to the Malaysian government's recent announcement to grant amnesty to Filipinos suspected to be illegally working there.

Although Manglapus did not provide figures on Filipinos working in Malaysia, it was learned that there are some 300,000 workers there.

Majority of them migrated to Sabah during the early '70s at the height of the Muslim secessionist rebellion against the Marcos regime.

Earlier, a Philippine Coast Guard [CG] commander based in the South said that more than a thousand Filipinos are now jailed in Sandakan and Kota Kinabalu.

Capt. Salvador Peran of the 3rd CG district said that 46 Filipinos have been deported by Malaysian police and are now stranded in Cagayan de Tawitawi.

In his note verbale to the Malaysian government, Manglapus asked the Malaysian federal government in Kuala Lumpur to verify reports of arrests and deportation.

He explained that the situation is unique because Malaysian state governments can carry out operations like arrests of Filipinos without prior approval of the central government. The arrests and deportation of Filipinos were carried out by authorities of the state of Sabah.

Despite the negative reports from Malaysia, Manglapus said the negotiations on overlapping claims between the two countries will go on as scheduled on January 25.

In a related development, the Philippine government has disregarded an earlier list of Filipino negotiators to the forthcoming border talks with Malaysia because of reports that Malaysia will be composed of veteran diplomats, it was learned. [sentence as published]

A senior diplomat told the GLOBE that the Malaysian panel will be headed by "no less than the Attorney General."

DFA legal adviser and chief negotiator Jorge Coquia said he is still considering nominees to compose the Philippine panel.

Last month, the DFA announced a list of negotiators coming from three departments but Manglapus has instructed Coquia to come up with a stronger panel.

The talks, agreed upon last July, will be held during the first two days in Kuala Lumpur, then resumed in Manila.

Coquia said the new list of negotiators, numbering around six, will come from "concerned departments and agencies." To be represented in the forthcoming talks are the Departments of Agriculture, Defense, and Foreign Affairs.

Last Wednesday, a 10-man inter-agency Preparatory Study Group met to discuss the forthcoming talks at the DFA.

During the meeting, Coquia clarified that the group has no mandate to discuss the Sabah claim, the Spratly issue and the status of Filipino workers in Sabah.

He also told the group that the talks will only be on "fisheries and fishing rights" and not on territorial claims of both countries.

Earlier, Manglapus said the talks would endeavor to strike modus vivendi between the two countries.

But he clarified that the "overall solution" to the border conflict in southern Spratlys will hinge on an agreement among all the claimant-countries to the South China isles.

Observers have also noted the presence of former foreign minister Pacifico Castro in the inter-agency meeting.

Castro, now Director-General of the Middle East and Africa office, was utilized by the Philippine government in mid-'70s as the secret negotiator to Malaysia.

Castro and his "back-channel" partner, Zainal Abidin of Malaysia, settled a number of border problems in the late '70s up to the fall of the Marcos regime.

Manglapus Welcomes Direct U.S. Talks With PLO

HK1612110188 Hong Kong AFP in English 1001 GMT 16 Dec 88

[Text] Manila, Dec 16 (AFP)—Philippine Foreign Affairs Secretary Raul Manglapus welcomed Friday the U.S. move to hold direct talks with the Palestine Liberation Organization (PLO).

"We welcome that of course. Any development that reduces tensions around the world is welcome to this government, Mr. Manglapus said.

"The decision of the United States to talk directly with the PLO ... is very much in keeping with the spirit already prevailing in the United Nations," he said.

The Philippine foreign secretary said "world developments and national interest" would prod Manila into recognizing the PLO, but gave no time frame for this.

"We are positively disposed towards advancing our relations with that organization," Mr. Manglapus added.

Manila has been courting Arab support for its efforts to solve a 16-year-old Moslem separatist movement by offering limited autonomy and escalated economic development to this Roman Catholic nation's Moslem minority, the Moros.

Aquino Says Reelection Rumor 'Without Basis'

HK1412020188 Manila Far East Broadcasting Company in English 2300 GMT 13 Dec 88

[Text] President Aquino's (?sole) candidacy in the snap presidential election in 1986 was unique, and any suggestion that she is trying to seek a second term in 1992 is without basis. Mrs Aquino was asked to comment on the statement made last week by her younger brother Congressman Jose Cojuangco who said his 55-year-old sister might seek reelection in 1992 if persuaded to do so by politicians and if her rivals stepped aside. Last October she stressed that this term would be her only term in office.

Aquino Appeals to Congress on Budget Cuts

HK1512124188 Quezon City GMA 7 Radio-Television Arts Network in Tagalog 1030 GMT 15 Dec 88

[From "GMA News" program]

[Text] President Corazon Aquino has appealed to Congress not to cut the proposed 1989 budget in reaction to the reported move by the Senate to cut the budget by as much as P [pesos] 10 billion. Press Secretary Teodoro Benigno read President Aquino's appeal.

[Begin Benigno recording in English] There should be no cut in the proposed budget as this has already undergone very close scrutiny and trimming at the executive branch. I, therefore, appeal to both houses of Congress not to impose any cut in the budget. The proposed budget is needed for us to attain our economic targets. Any cut will affect many important projects. Furthermore, we already have the momentum. [end recording]

Final Version of Budget

HK1612120388 *Quezon City GMA 7 Radio-Television Arts Network in Tagalog 1030 GMT 16 Dec 88*

[From "GMA News" program]

[Text] The Senate and the House of Representatives have finally agreed on the 1989 national budget. Yesterday's deadlock was resolved late today when both houses agreed on a P [peso] 4.4-billion cut in the proposed P228.5 billion budget for 1989. The Senate and House conference committee report on the issue was signed today, and it will be presented to President Aquino next week.

There was a deadlock yesterday when the Senate insisted on a P10.4 billion budget cut while the House wanted the budget to remain as it was. The agreed P4.4 billion cut was from the programmed and unprogrammed outlay which included a P384-million cut from the CAFGU [Citizen Armed Forces Geographical Unit] budget.

Amnesty International Says Torture Common

HK1512132188 *Quezon City GMA 7 Radio-Television Arts Network in Tagalog 1030 GMT 15 Dec 88*

[From "GMA News" program]

[Text] Amnesty International has issued new charges regarding the worsening torture situation in the Philippines.

According to a report released in London, torture has allegedly become common practice by military agents against suspected NPA's or rebel supporters. Amnesty International said that there was no systematic proof of torture but there were testimonies supported by medical evidence. The torture practices included clubbing, electric shocks, and sexual abuse.

Report on Torture Denied

HK1512141588 *Manila Radio Veritas in Tagalog 1300 GMT 15 Dec 88*

[Text] Human Rights Commissioner Mary Concepcion Bautista strongly criticized Amnesty International for not being fair in its report.

Bautista stressed that Philippine law strictly prohibits torture of any sort. She said she would be the first to condemn such practices if there were any truth to the report. Bautista also said that the current administration should be given a chance to prove that it does enforce its laws.

Senator Asks Probe of Trading Body's Operations

HK1512104788 *Quezon City Radyo ng Bayan in Tagalog 1000 GMT 15 Dec 88*

[Text] The Senate was asked today to look into the operations of the Philippine International Trading Corporation [PITC], which has genuine trade cartels with socialist and communist countries.

Senator Leticia Shahani, chairman of the Senate Committee on Foreign Relations, has filed a resolution regarding the issue. According to her, the PITC, which was established by Presidential Decree No 1071, is competing with local exporters in establishing trade with socialist and communist countries. Shahani said that the operations of PITC violate free trade and represent unfair competition. Shahani disclosed that the owners of PITC are individuals who had close relations with the previous regime and were the sole agricultural dealer.

De Villa Orders Abadilla's Release 15 December

HK1612035588 *Manila PHILIPPINE DAILY GLOBE in English 16 Dec 88 pp 1, 6*

[Text] Gen. Renato de Villa, AFP [Armed Forces of the Philippines] chief of staff, ordered last night the release of Ilocos Norte Vice Governor Rolando Abadilla from military detention following the latter's acquittal the other day from charges of sedition and mutiny.

Earlier yesterday, Justice Secretary Sedfrey Ordenez said Abadilla cannot question before the Supreme Court President Aquino's power to review the decision of the military court in case she reverses the acquittal.

In Malacanang, President Aquino ordered her legal staff to recommend whether or not to affirm the acquittal.

Abadilla was released upon the advice of the Judge Advocate General's Office in view of the finding of General Court Martial No 7 "of not guilty as charged" because of insufficient evidence.

An AFP spokesman said Abadilla has no other pending case that warrants further detention.

Upon his release, the Ilocos Norte vice governor vowed to give full support to the government's policy of genuine reconciliation.

Ordenez explained that unlike the procedures in civil courts where an acquittal is considered final and executory, decisions of military courts are subject to review by the President, as commander in chief of the military.

In effect, Ordenez said Abadilla will have to continue discharging his duties as vice governor from his detention cell in Camp Crame until after the President has affirmed his acquittal.

Ordenez said that should Abadilla question before the Supreme Court President Aquino's authority to review his acquittal, the high court may declare that the issue is a political question which only the President can resolve.

"Normally, the President's decision in military court cases are not subject to judicial review except when there are findings that the accused was deprived of due process of law," Ordenez said.

The President's power to review decisions of courts martial is in accordance with her authority to discipline members of the military as commander in chief.

Ordenez pointed out, however, that President Aquino cannot delay the review of Abadilla's case since it may be misinterpreted by some people as an attempt to deprive the former PC Lieutenant colonel of speedy implementation of his acquittal.

Abadilla Returns Home

HK1612120788 *Quezon City Radyo GMA 7*
Radio-Television
Arts Network in Tagalog 1030 GMT 16 Dec 1988

[From "GMA News" program]

[Text] Former Colonel Rolando Abadilla has now been released from Fort Bonifacio. Army Commanding General Mariano Adalem handed Abadilla the release order issued by AFP [Armed Forces of the Philippines] Chief of Staff Renato de Villa.

In Malacanang, President Aquino said she approved the release of Abadilla based on the recommendation of her legal adviser.

Last night, Abadilla went home to his residence in Libis, Quezon City before proceeding to Laoag City to assume his post as vice governor elect of the province.

[Begin Abadilla recording in English] What I want to do now is to promote a program of reconciliation among us Filipinos. I think this is a very difficult job but I'll try my best. [end recording]

Meanwhile, Local Government Secretary Luis Santos today confirmed that there will be no hindrance to Abadilla's assumption of the government post following his acquittal on a mutiny charge.

[Begin Santos recording in English] The order of the military commission is final and no longer subject to review by the president of the Philippines. So, I presume that he will already assume his office as vice governor of Ilocos Norte. [end recording]

NPA Does 'Not Intend To Free' Captives

HK1512135188 *Quezon City GMA 7 Radio-Television*
Arts Network in Tagalog 1030 GMT 15 Dec 88

[From "GMA News" program]

[Excerpts] The release of the six soldiers held prisoners by the NPA in Bondoc Peninsula seems far from being realized.

The NPA today said they do not intend to free the hostages despite the intensified military offensive in the area. At the same time, NPA Spokesman Comrade Roger denounced the military tactic of using his daughter to put pressure on the guerrillas. Jessica Soho for the details.

[Begin recording] A new development in the Quezon hostage drama took place when Comrade Roger's mother-in-law, Mrs Estela Dumanais, along with Roger's daughter Maria Andrea, went to the military and appealed to Roger to surrender for the sake of his child. [passage omitted]

Roger asked that his child be separated from his mother-in-law. He also accused the military of using his child to put pressure on the rebels to release their captive soldiers. The military, however, denied the accusation. [passage omitted] [end recording]

NPA To 'Observe' Christmas Day Cease-Fire

HK1612034388 *Manila PHILIPPINE DAILY*
INQUIRER in English 16 Dec 88 pp 1, 10

[By Nimfa U. Rueda]

[Text] Communist rebels said they will observe on Christmas Day a unilateral cease-fire in selected areas as they described as a "mockery of peace" the government's reported plan to order a moratorium on military offensives.

The general staff of the New People's Army (NPA) said in a statement sent to newspaper offices yesterday they will observe a Christmas tradition of silencing their guns in areas where the military does not conduct regular offensives.

"We in the revolutionary movement have shown to the organized masses our brand of respect for tradition in ways which carry with them our deep understanding of the Filipino culture," the statement said.

The rebels called President Aquino's plan to order a temporary stop to military offensives on Christmas Day as "hollow and devoid of sincerity."

The NPA said the government's insincerity in calling for the moratorium in the name of peace may be gleaned from what it described as the government's serious record of human rights violations.

"We in the New People's Army find this bloody hand posturing peace unacceptable. This show is akin to a murderer holding a gasping dove in one hand and a cocked gun in the other," the three-page statement said.

The rebels also vowed to adhere to international treaties upholding human rights, which they said are being ignored by government forces.

They also ruled out any cease-fire agreement with the government saying they have "taken solid lessons" from the failed 1986 peace talks.

The talks, the rebels said, were only used by the Armed Forces to consolidate its force especially in areas considered as rebel strongholds.

Last week the President said she was open to a Christmas cease-fire if the rebels asked for it formally but added she would consult first with the military before giving out any order.

The military, especially soldiers and officers in the field, had expressed opposition to any truce with the rebels since the collapse of the 1986 peace talks, claiming the insurgents gained propaganda mileage during the cease-fire.

Last year, the government ordered a 48-hour cease-fire on Christmas Day and New Year's Day.

'Over 88' Ilocos Sur Civilians Join CAFGU's
HK1612080588 Manila Radio Veritas in Tagalog
0700 GMT 16 Dec 88

[Text] Jill Risonto reports now from Camp Aguinaldo:

[Begin recording] We have news from Vigan, Ilocos Sur. Five guerrillas were killed and five others were arrested in two separate raids carried out by Ilocos Sur Provincial Command operatives under Lieutenant Colonel Enrique Cuadra. Based on reports, the first raid, led by Lieutenant Bagasin and Captain Ordano, occurred in Barangay Bingaya, Santa Cruz, Ilocos Sur. The gun battle lasted for 30 minutes, killing two guerrillas.

The second raid was in Barangay Daligan, Santa Cruz town, headed by Colonel Cuadra. The military encountered more than 40 heavily armed communists. According to reports, a civilian, identified as Severino Gumangin, was reportedly kidnapped and killed during the firefight. Residents of the area said the injured guerrillas escaped. They did not receive any help from the civilians, proof that they no longer have the support of the people.

Still in Vigan, Ilocos Sur, over 88 civilians have joined the newly formed Civilian Armed Forces Geographical Unit [CAFGU], an anticommunist, military-backed civilian organization. According to Ilocos Sur Provincial Commander Lieutenant Colonel Cuadra, the civilian

volunteers will undergo military training conducted by the Philippine Constabulary. They will be trained to become professional soldiers who can fight against communist forces in the area. These moves are being supported by Mayors Bistoyong and Armuyen of Alilem and Sugpon towns respectively. Colonel Cuadra also said that the CAFGU formation is an indication that civilians are prepared to combat communist ideology in the area. It will be recalled that in the same area, many NPA sympathizers, supporters, and regular members surrendered during a ceremony in which they burned the Communist Party of the Philippines in effigy. [end recording]

New Visayas Command Chief Assumes Position
HK1612083288 Quezon City Radyo ng Bayan
in Tagalog 0800 GMT 16 Dec 88

[Text] Brigadier General Orlando Antonio formally took over as the new chief of the Visayas Command [Viscom] when he replaced Brigadier General Jesus Hermosa who is slated to retire from service on 18 December.

The hand-over ceremony at Camp Lapu-Lapu was attended by Armed Forces of the Philippines chief of staff General Renato de Villa.

Before assuming the position of Viscom chief, General Antonio, a 1958 graduate of the Philippine Military Academy, was commander of a regional command. He vowed to carry out the ongoing counterinsurgency campaign in the Visayas as initiated by General Hermosa.

Thailand

U.S. Decision on GSP Privileges Postponed
BK1612032588 Bangkok BANGKOK POST in English
16 Dec 88 p 1

[Article by Phonphimon Kanchanalak in Washington D.C.: "GSP Decision Postponed"]

[Excerpt] The Trade Policy Review Group has postponed its meeting to consider Thailand's status under the U.S. Generalized System of Preferences (GSP) from yesterday to today (Washington time).

At the same time Thai and U.S. officials criticised the role played by Prime Minister Chatchai Chunhawan's advisers during the negotiating process.

The Trade Policy Review Group (TPRG) postponed its meeting because a member of the group could not attend yesterday's meeting and asked for a rescheduling.

Normally, a member of the TPRG can designate someone to take his place in the event that he cannot attend the session. Underneath the appearance of inactivity on both Thai and American sides, efforts are being seriously made by American officials involved to find an "appropriate" formula for Thailand's GSP cut.

On the one hand, the U.S. Government wants the measure to send a strong signal to Thailand indicating its seriousness in dealing with the intellectual property issue.

On the other hand, the U.S. does not want the measure to be so severe that it would break off the dialogue and cause a confrontation.

The U.S. has indicated that it wants to keep open the dialogue on two pending issues, namely computer software and protection of pharmaceutical patents, despite the impasse from the discussions in the GSP context.

The Thai Embassy in Washington continued to closely monitor the development of the U.S. decision.

Ambassador Witthaya Wetchachiwa and embassy officials continue to speak to key players in the decision process and remind them to be mindful of the possible effects of the decision on overall Thai-U.S. relations.

The objective of the undertaking is not to reopen the negotiation but more of a "damage control" operation. [passage omitted]

Textile Talks With U.S. Show Little Progress
BK1612030588 Bangkok BANGKOK POST in English
16 Dec 88 p 17

[Article by Phonphimon Kanchanalak in Washington D.C.: "No Progress in U.S. Textile Talks"]

[Text] Thai-U.S. textile talks ended their second day on Wednesday without much progress after the Thai delegation failed to proffer alternatives at the suggestion of Washington.

One Thai mission member said Thailand adopted a hardline approach at Wednesday's meeting. He said any alternatives would, in effect, impose group limits on Thai textile and garment exports to the U.S.

"We would rather trade with the U.S. without a bilateral agreement than accept measures which would restrict future growth," he said.

Chief U.S. textile negotiator Donald Steinberg told the Thai negotiation team on Tuesday, the first day in the third round of meetings, that Thailand should come up with acceptable alternatives to the "cap" system in question.

The proposal was considered flexible and an attempt to arrive at a textile agreement to replace the existing pact which is due to expire at the end of this month.

The caps in question concern groups which would cover all textile and garment products not currently subject to individual quotas. The Thai delegation believe this would curb the growth of the country's textile exports and industry as a whole.

Foreign Trade Department Director-General Oranuj Osathanon is also expected to hold talks with American authorities on the steel pipe issue.

Thailand is expected to propose that the voluntary restraint agreement [VRA] sought by Washington cover only steel pipes.

American steel workers union called on Washington on Wednesday to expand its VRAs.

USSR's Ryzhkov To Visit in Mid-January
BK1612025588 Bangkok BANGKOK POST in English
16 Dec 88 p 9

[Text] Soviet Prime Minister Nikolay Ryzhkov will visit Thailand on January 16-17, a Foreign Ministry source confirmed yesterday.

Ministry officials met with their Soviet counterparts here last week to discuss preparations for the visit.

The planned visit is in response to an invitation extended by former Prime Minister Prem Tinsulanon who visited the Soviet Union in May.

Soviet Foreign Minister Eduard Shevardnadze said during his recent tour of the region that he had seen some differences between ASEAN and Indochinese countries.

The Soviet Union considered the settlement of Kampuchean conflicts an urgent issue, he said.

The source said frequent meetings between Chinese and Soviet officials helped the two superpowers take a more positive approach to the Kampuchean solution.

Indonesia's Alatas Arrives for 2-Day Visit
BK1612015588 Bangkok THE NATION in English
16 Dec 88 p 2

[Text] Indonesian Foreign Minister Ali Alatas arrived in Bangkok yesterday afternoon for a two-day visit after attending the special UN General Assembly debate on Palestine in Geneva.

Alatas will call on Foreign Minister Sitthi Sawetsila today at 11 pm, and will attend a luncheon welcoming him hosted by the Thai diplomat.

The two foreign ministers will discuss the 10-year-old Kampuchean conflict. Specifically, talks are expected to centre on Thailand's attempts to obtain a settlement among the warring parties and progress which has been

made, Sitthi's planned visit to Hanoi next month and coordinating for the upcoming second informal meeting of the Kampuchean factions in Jakarta at the end of February.

Alatas is scheduled to leave this afternoon for Indonesia.

Sitthi has said he will visit Vietnam early next year for talks with Vietnamese leaders on the Kampuchean problem.

House Committee Approves 1989 Defense Budget
BK1612034788 Bangkok BANGKOK POST in English
16 Dec 88 p 6

[Text] The 44,000-million-baht defence allocation for 1989 was passed by the House Budget Scrutiny Committee after five hours of consideration yesterday.

The panel trimmed a mere 24.6 million baht in fuel expenses from the budget of the office of the Supreme Commander, the Army, the Air Force and the Navy.

The Defence Ministry yesterday sent a delegation led by deputy permanent secretary general Kasem Sanguanchatsorakrai to testify to the committee, which two days earlier put off scrutiny because ministry representatives failed to satisfy queries about the requests.

Panel spokesman Chira Methakon said the allocation was hardly touched because it had already been trimmed by the National Budget Bureau by 50,000 million baht.

Palang Dharma Party MP Suthep Wongkamhaeng asked the committee to reserve his right to debate on the planned Army disbursement of 97 million baht which has been set aside as part of its 297-million-baht secret fund.

The committee agreed to pass the Air Force's secret fund untouched after Military Affairs Committee chairman Adm Siri Sirirangsi, who is a member of the scrutiny panel, made a personal appeal and provided details of the request.

Committee sources said details of the Air Force secret fund were outlined in documents marked "highly confidential" which referred to the cost of backing the ground campaign against Laotian forces in the Ban Romklao conflict.

The sources said the Air Force spent 226 million baht in the operation which involved 949 bombing runs.

The Air Force also asked that the committee approve an additional budget of 248.7 million baht through a secret disbursement to offset extra spending last year and this year in the form of installments for a Boeing 737-300 purchased for the use of the royal family.

Trade Deficit, Income Distribution Hinder Growth
BK1612060388 Bangkok THE NATION in English
16 Dec 88 pp 13, 24

[By Adisak Limprungphathanakit]

[Text] The Thailand Development Research Institute [TDRI], the well-respected independent think-tank, has forecast that economic growth in 1989 will drop slightly to 8 percent from this year's 10.2 percent, but warned that the trade deficit and current-account deficit will pose major obstacles hindering future growth.

The agency will amplify this economic forecast at its year-end meeting in Cha-am at the weekend, where its senior researchers will convene to discuss various economic issues under the broad theme, "Income Distribution and Long-Term Development".

TDRI's economic predictions have turned out to be markedly different from those made by other institutions, most of which widely hold that the growth rate will slow down to 7-8 percent. The agency bases its assessment on the strong growth of the agricultural sector, expected to reach 8.8 percent, reversing the slump of the past three years. The industrial sector will also expand vigorously through strong investment and export growth.

Dr Wiraphong Ramangkun, a director and former top economic advisor to the Prem government, will present his paper on macroeconomic forecasts, which will cover major issues up through the year 1991, the end of the Sixth Plan.

At a press conference yesterday, the well-known economist painted a gloomy outlook focussing on the trade and the current-account deficits, which have widened to a worrisome level.

He questioned whether the government can handle the economic growth within the next three to four years, while the foreign debt burden keeps running away. Essentially, Wiraphong said he would be suggesting how growth can be maintained, how to tackle the trade and current-account deficits, how to smooth the growth rate, among others.

He will also call attention to the export sector, so far the engine of economic growth, as to whether its growth rate can be stabilized as forecast, while the import structure is more or less discernible because of the committed orders.

All of these issues, including the effort to increase the purchasing power of the people, will be put into perspective under the framework of equitable income distribution.

Wiraphong also questioned the merit of the government's move to cut the personal income tax, saying that if the people are encouraged to spend, the trade and current-accounts deficits will be more difficult to tackle, thus running counter to economic health.

"But if the government's intention is political, then it is another matter," he said.

Dr Phaichit Uathawikun, TDRI president, echoed similar concern, saying that the tax cuts do not arrive at a good timing because the Thai economy is overheating. He said by encouraging the people to spend more, the overheating situation will worsen, hence widening the savings-investment gap.

"At this juncture, the government seems not to understand the real situation of the trade deficit and the current-account deficit. This is not the time for spending," he stressed.

"If we have less money, we'll have to borrow more. In fact, the money should be used to increase the production capacity, instead of being spent in such a way that it creates more problems for the future."

The TDRI president warned that Thailand should not be complacent on the successful level of its economy at the moment, but should look at the long-term planning.

Dr Narongchai issued similar warnings, arguing that the country is travelling on the fast lane, but it is running out of gas. He said the economy might break down, if the spendings are not curbed.

Dr Direk Phathamasiriwat, TDRI researcher, said he will present the long-term outlook of growth and income distribution, using the decade of 1976-1986 as the time frame of his study. He said during this particular period, the income distribution did not function as expected. The economic growth does not necessarily bring about equal income distribution.

Direk will draw upon empirical research conducted in a number of developing countries and findings suggested by scholars in the field. He will also examine future income distribution trends in Thailand, forecasting on regional inequality and population movements.

Somchai Chitsuchon, researcher, said he will examine the income distribution of the people based on research findings of surveys conducted over the past decade. Dividing the population into five income brackets between 1976 and 1986, Somchai found that income distribution got worse. In 1976, about 49.26 percent of the national income went to the top 20 percent earners of the entire population, compared with 55.63 percent in 1986. The lowest 20 percent of earners accounted for 6.05 percent of the national income, compared with 4.55 percent in 1986.

Somchai also found that in 1976, 30.02 percent of the population earned money below the median. But the situation improved to 23.04 percent in 1981 before getting worse to 29.51 percent in 1986. He explained that the economic slowdown between 1981-1986 resulted in the poor income distribution.

The picture during 1986-1987 was not clear, but the income distribution somewhat improved because of the better prices of agricultural products. At the same time, people outside the agricultural sector are now earning more money, reflecting the fact that economic development begins to reach most income brackets. This year about 25 percent of the people are characterized as poor.

Dr Chalongsop Sutsangkan, another TDRI researcher, said the population movements appear to affect the income distribution, which does not necessarily bring about negative outcome. He argued that most of the city problems occur from the original dwellers instead of from the newcomers.

The main factor lies in education, which might affect future national development. The number of population graduating from high school is only 30 percent, compared with 90 percent for South Korea.

"This will be a bottleneck in the long term, when industrialization gets ahead because of the shortage in the skilled labour force," he said.

Vietnam

VNA Reports Return of 38 MIA Remains to U.S.
*BK1612075088 Hanoi VNA in English 0705 GMT
16 Dec 88*

[Text] Hanoi VNA December 16—The Vietnamese office in charge of seeking the personnel missing in action on December 15 turned over to a representative of the U.S. Joint Casualty Resolution Center the remains of 38 Americans missing in action (MIA) and information about 12 others whose remains have been ascertained as unrecoverable.

All these 50 cases have been unilaterally found by the Vietnamese side.

So far, Vietnam has returned to the United States the remains of 302 American MIAs and provided it with information about 61 others whose remains have been ascertained as unrecoverable.

The same day, the joint Vietnamese-U.S. search teams completed their 3rd round of search at nine places in Nghe Tinh and Binh Tri Thien Provinces. So, among the total of 70 cases involving discrepancies from the two sides, those from the 17th Parallel northward have been basically settled. The joint identification group has examined a number of remains collected recently by the Vietnamese side.

The representative of the U.S. Joint Casualty Resolution Center and the U.S. search teams expressed their high appreciation of the Vietnamese people's and government's humanitarian policy, goodwill, and cooperation.

Radio Cites AFP on Cambodian Troop Withdrawal
BK1612060088 Hanoi Domestic Service in Vietnamese
0500 GMT 16 Dec 88

[Text] The FRENCH NEWS AGENCY, AFP, correspondent reported the following from Battambang, Cambodia:

Witnesses said that on 15 December about 1,200 Vietnamese soldiers began leaving Battambang at the start of Vietnam's seventh annual troop withdrawal from Cambodia.

On the morning of 15 December, about 60 military trucks left Battambang along the road to Sisophon, about 40 kilometers from the Thai border, to move 1,200 soldiers of the 309th Vietnamese infantry division back home.

From Sisophon, the convoy will go to Siem Reap and Kompong Cham before reaching Phnom Penh. On 17 December, an official ceremony will be held in Phnom Penh to mark the pullout.

Feature Describes Troop Pullout from PRK
BK1612094488 Hanoi Domestic Service in Vietnamese
1430 GMT 15 Dec 88

[Phnom Penh-Based Station correspondent's report: "Emotionally See the Brothers Off"]

[Summary] "Another major political event is being witnessed today in Cambodia. Following the withdrawal of the command of the Vietnamese volunteer army and its affiliated units totaling 32,000 troops from June to November 1988, today six infantry divisions—Nos 4, 5, 307, 309, 315 and 339 and their command comprising 18,000 troops began their withdrawal from Cambodia in implementation of the SRV-PVK agreement."

It was a sunny day in the capital city of Phnom Penh. Colorful banners color were hung across the streets, while Cambodian national flags were flying in front of almost all offices and houses. At dawn, groups of militia and self-defense forces, Army units, and students paraded along main streets and near the Olympic Stadium. These are units of the Cambodian army and militia forces gathered to show their determination to protect the revolutionary regime after the Vietnamese Army volunteers withdraw home.

"We witnessed young Vietnamese soldiers surrounded by Cambodian young men and women asking for autographs, photos, while exchanging promises to write regularly to one another. People were moved when they saw these cordial, emotional gestures full of affection."

In Phnom Penh 3 days ago the congress to review results of the patriotic movement which has been carried out in Cambodia during the past 10 years was held. Among the 420 persons who won commendations, 28 persons were outstanding emulative combatants of the KPRAF.

"Speaking with us, Comrade (Tu Nom), commander of the local Army battalion of Bati District, Takeo Province said: Our local people are very fond of the Vietnamese Army volunteers who are leaving for home. Soldiers of our Cambodian Armed Forces are very grateful to Uncle Ho's soldiers because during their stay in Cambodia they have helped us organize and build our Armed Forces, trained and taught us their experiences in defending the fatherland, and imparted to us the will to fight and defeat all enemies. On behalf of my unit, I can assure you that we are determined to protect our locality, maintain safety on the key routes of Highway 3 from Phnom Penh to the Tonle Sap and other western mountain provinces as you comrades did for us during the past 10 years. As you leave Cambodia for home, you comrades can place your confidence in us."

Our Cambodian colleague Mr (Nara), correspondent of the KPRAF, said: During the past weeks, from Siem Riep to Koh Kong Provinces, from Kompong Speu to Preah Vihear, Ratanakiri, Mondolkiri, and many other places there have been ceremonies to transfer battlegrounds to units of the KPRAF and to bid farewell to officers and combatants of the six infantry divisions of the Vietnamese volunteer army.

Comrade (Keo Pitek), commander of the 6th Infantry Division of the KPRAF said: When No 339 Division of the Vietnamese volunteer army pulls out, we have to mobilize our troops. This is a heavy task, but we have to make greater efforts because this is our fatherland's territory. We have to use our own energy to defend those battlegrounds where countless comrades fell.

"Today the command of six divisions and 18,000 Vietnamese Army volunteers are departing for their fatherland, thereby completing the plan of withdrawing 50,000 troops in 1988. International newsmen thus having a chance to witness a real troop withdrawal—an event of great significance—and to witness the emotional farewell parties organized by the Cambodian people for the Vietnamese Army volunteers."

15 December National Assembly Session Reported
BK1512141588 Hanoi Domestic Service in Vietnamese
1100 GMT 15 Dec 88

[Text] This morning the National Assembly held a plenary meeting at the Ba Dinh Conference Hall under the direction of its chairman, Le Quang Dao.

First, Mrs Ngo Ba Thanh presented the National Assembly Judiciary Committee's report on the investigative reports by the chief justice of the Supreme People's Court and by the Supreme People's Organ of Control.

This is a change made by the National Assembly session. The Judiciary Committee report subscribed to the report by the chief justice of the Supreme People's Court. However, it stressed that in terms of organization between the Ministry of Justice and the chief justice of the Supreme People's Court, general rules on work methods have not yet been enforced.

The Judiciary Committee report noted that the Supreme People's Organ of Control has clarified and comprehensively touched on many issues. The Supreme People's Organ of Control has exerted great efforts, and control work has been carried out with specific targets, especially economic control. However, many shortcomings still exist in the control of documents, thus many crimes are overlooked, particularly economic crimes. Many production and business establishments have exceeded their authority and violated the law.

Next, Comrade Vu Oanh, chairman of the National Assembly Economic Planning and Budget Committee, presented the his committee's views on the socioeconomic plans and state budget. The report by the chairman of the National Assembly Economic Planning and Budget Committee highlighted the issues of ensuring a firm balance of grain supply, land disputes, and the quality of consumer goods.

Comrade Vu Oanh expressed the need to actively solve the grain problem; oppose waste, loss, and damage in consumption; and sell grain at business prices. With regard to consumer goods, attention should be paid to the quality and diversity of various items.

The report by Comrade Nguyen Dinh Tu, chairman of the National Assembly Science and Technology Committee, captured the attention of many deputies. According to the comrade, it is necessary to adopt appropriate policies toward scientific and technical projects and those engaged in scientific and technical work so as to enable them to bring about specific results.

Touching on the poor quality of consumer goods, Comrade Nguyen Dinh Tu held that this situation is due to a lack of strict discipline and law, shortages and the poor efficiency of technical equipment, a failure to enforce scientific and technical regulations, and limited investment capital for science and technology. He suggested that efforts must be made to continue to renovate scientific and technical work; eliminate bureaucracy and state subsidy in research work; implement accounting in research work; apply science and technology, considering products of science and technology as goods; and implement the signing contracts between science and technology and production and business establishments. He also pointed out that the scientific and technical management mechanism must be institutionalized and that the state must draft a law on science and technology and expand science and technology exchanges throughout the world.

The reports by the chairman of the Foreign Relations Committee and the National Assembly Economic Planning and Budget Committee, which was presented by Mrs Nguyen Thi Binh at this morning's meeting, touched on the issue of labor cooperation with foreign countries. These reports also drew the attention of many National Assembly deputies.

After pointing out that labor cooperation with foreign countries has contributed to collecting foreign currency for the state, solving the problem of employment for laborers, improving the our youths' professional skills, and implementing friendly cooperation with fraternal countries, the report said a potential exists that we have still not fully exploited. Apart from this, the report pointed out the difficulties in the daily life and work of Vietnamese laborers in foreign countries and the many complicated problems in relations between our laborers and friendly countries that should be solved.

Comrade Nguyen Thi Binh pointed out one important, urgent need, that is, the state must enforce policies on our laborers in foreign countries and apply a system encouraging them to enthusiastically study and work and to be at ease when completing their tour and returning home.

Dear friends: Also in this morning's meeting, the deputies listened very attentively to the views of Comrade Ha Quang Du, first secretary of the Ho Chi Minh Communist Youth Union Central Committee, who, on behalf of the National Assembly's Youth and Teenager Committee, reported on the arrangement of jobs for youths.

After reporting the current situation of numerous unemployed youths, especially university graduates and youths discharged from the Army, Comrade Ha Quang Du proposed that the state should formulate a strategic research program to create jobs at the same time as the socioeconomic strategy begins in 1989. State-run economic installations should not forget their task of creating jobs for youths. In organizing vocational training for youths, the state should formulate policies to encourage youths to learn a trade by themselves, and encourage private individuals to teach youths a trade.

Then, Comrade Tran Do, chairman of the National Assembly's Culture and Education Committee, presented the views on whether or not we should collect education fees. He agreed on the collection of education fees. However, the education minister's report before the National Assembly at the 13 December afternoon meeting failed to clearly expound the purpose of collecting education fees and disagreed on the collection of education fees as a source of budgetary revenue, seeing it merely as a source of supplementary revenue for the budget.

The collection of education fees must be linked to eliminating illiteracy and popularizing level-1 education. As a result, it is not advisable to collect education fees from level-1 students and those falling under the anti-illiteracy campaign.

Comrade Ha Quang Du proposed that consideration should be given to investigating those who are exempt from paying education fees and recommended that the state earmark 20-30 percent of the budget for education.

At the end of this morning's meeting, the National Assembly deputies heard a report by Comrade Nguyen Thi Hoai Thu, representing the National Assembly's Social and Public Health Committee, on the issue of social and war invalids. The report covered the difficult life of wounded soldiers and fallen heroes's surviving families among the common difficulties of people of all strata. She proposed that the state should promptly promulgate a policy on all-people care for wounded soldiers and fallen heroes, considering it a responsibility and duty; that a policy on contributions by the state and people for caring for wounded and sick soldiers should be publicized; and that a study be conducted to modify inappropriate policies while simultaneously amending other social systems such as soldiers' retirement pay, medical expenses for wounded soldiers, and so forth.

The National Assembly deputies listened to this issue very attentively. In the afternoon, the deputies broke up into teams to discuss the state plan and budget.

Communique No 3 Issued

*BK1512151688 Hanoi Domestic Service in Vietnamese
1430 GMT 15 Dec 88*

[Communique No 3 of the Fourth Session of the Eighth National Assembly]

[Text] On 15 December 1988, in the morning the National Assembly held a plenary session at the Ba Dinh Conference Hall under the chairmanship of National Assembly Chairman Le Quang Dao.

The National Assembly heard Mrs Ngo Ba Thanh, head of the National Assembly's Legal Committee deliver an investigative report of her committee on various reports on the situation regarding work and the maintenance of public order and security in 1988, on the situation regarding the work of the judicial sector in 1988, and on the situation regarding the observation of law and the activities of the organ of control sector in 1988; Comrade Vu Oanh, head of the National Assembly's Economic, Planning, and Budget Committee, read a report of his committee on the socioeconomic plan and the state budget; Comrade Nguyen Dinh Tu, head of the National Assembly's Science and Technology Committee, read a report of his committee on the question of science and technology being organically linked with the plan for socioeconomic development; Comrade Nguyen Thi Binh, head of the National Assembly's Foreign Relations

Committee, read a joint report of her committee and the National Assembly's Economic, Planning and Budget Committee on the question of labor cooperation with foreign countries; Comrade Ha Quang Du, head of the National Assembly's Youth, Teenagers, and Children Affairs Committee, delivered a speech voicing his committee's opinions on how to solve the employment problem for youths in the 1989 plan; Comrade Tran Do, head of the National Assembly's Cultural and Education Committee, delivered a speech voicing his committee's opinions on the question of tuition fee collection; and Comrade Nguyen Thi Hoai Thu, deputy head of the National Assembly's Public Health and Social Welfare Committee, delivered a speech voicing her committee's opinions on a number of policies in war invalids and social welfare work.

In the afternoon, the national deputies split into groups to discuss the state plan and budget.

Deputies Discuss Vo Van Kiet Report

*BK1612055188 Hanoi Domestic Service in Vietnamese
2300 GMT 15 Dec 88*

[Station correspondents' report on National Assembly deputies' 15 December group discussions]

[Text] Yesterday afternoon, 15 December, the 3d day of the Fourth Session of the Eighth National Assembly, deputies conducted discussions in separate groups. Unlike the practice of previous sessions, deputies from different localities were organized to hold discussions together, perhaps to give deputies from regions far from one another an opportunity to compare notes on various practical issues and to present their viewpoints. For example, deputies from Ho Chi Minh City joined in the discussions with Haiphong Municipality; Cao Bang Province with Kien Giang and Nghia Binh Provinces; Vinh Phu with Dong Nai and Gia Lai-Cong Tum; Long An with Lai Chau and Hai Hung; and so forth.

The correspondents team of Voice of Vietnam present in the meeting rooms of the deputies from Ho Chi Minh City, Haiphong, Ha Nam Ninh, and Minh Hai would like to report some opinions that were discussed. It can be said that all the views expressed by the deputies in the various meeting rooms basically agreed with the Council of Ministers' report, which assessed the implementation of the 1988 state plan and expounded on the 1989 plan. However, in the spirit of constructiveness, democracy, and frankness, many deputies aired their opinions on issues on which there still was disagreement, or made known their personal viewpoints.

Comrade Mai Van Bay, a deputy from Ho Chi Minh City, said: I agree with the report of Comrade Vo Van Kiet, but in my opinion it has not dealt sufficiently with the causes of the difficulties. I think the Council of Ministers still shows hesitancy in making decisions on certain issues, such as the foreign currency rates of

exchange, tax, and so forth. It is my opinion that in some matters, hesitancy may lead to difficulties in economic development, but we cannot be adventurous either of course.

Comrade Mai Van Bay also raised the following question: In the report we often stressed the question of value of commodities, but we forgot to emphasize their use value. For this reason, the quality of our goods has dropped sharply and irremediably. Nothing is easier to make than bicycles and toothpaste, but when we squeeze a tube of our toothpaste we only get water, or nothing. Therefore, in all our production sectors the question of quality must be specially upheld and always of primary concern.

Another deputy from Ho Chi Minh City said: We talk about combatting subsidization, but in reality we have not done much. Subsidization has exhausted our economy. I think the Council of Ministers' report should also clearly indicate how many billion dong the state has to give away as subsidies each year and who the recipients are. The state can now only control the input, not the output. That is why subsidization has only enriched small traders. In my opinion, we must resolutely apply the single-price system.

Deputy Nguyen Xuan Oanh, also from Ho Chi Minh City, had this to say when remarking on the country's economic development: In making economic policy, it is necessary to concentrate our resources and find out what is the main thrust. In my opinion, we are still confusing management with business. In our banking sector—Mr Oanh works for the Industrial and Commercial Bank of Ho Chi Minh City—we have begun to disassociate ourselves from management work and to embark on business operations, but the process has not yet been completed. During the past few days we have talked time and again about renovation, but in reality nothing much has been renovated. I would like to mention the field of investment. If I was a foreign investor, how would I dare to invest in view of the current inflation in our country? Yet to date, we still have no or few really strong measures to combat inflation. It is my opinion that only by overcoming inflation will we be able to devise a plan for economic development. It can be said that we recently had a horrible system of foreign currency exchange rates—in other words, a system of multi-exchange rates—because two or three rates were applied in a province. It is because of this state of affairs that many foreigners do not want to come here, or have come reluctantly.

Also in the meeting room for the deputies from Ho Chi Minh City and Haiphong, Comrade Nguyen Thi Lien, a representative of Ho Chi Minh City's small industry and handicraft sector, remarked: There are problems, such as cumbersome staff, that the Council of Ministers has repeatedly mentioned in previous Assembly sessions but nothing much has changed. On this matter, has there been any change at all in the organs of the Council of

Ministers itself? In renovating economic management, the banking sector has begun to practice accounting and do business for profit. But when the banks fail to provide money for wages—holding back the wages of cadres, workers, and civil servants up to 20 days, a month, or longer—then why don't the banks institute a system under which they are obliged to pay interest to these people.

Expressing her views on the education issue, Comrade Lien said: This is an important sector, but I think that requesting up to 20-30 percent of the state budget for it, as urged by the [National Assembly] Culture and Education Committee report, is not realistic. If every sector asks for such a high level of appropriation, how could the state manage to satisfy their demands? Isn't it better for the education service to propose a different measure allowing the people to take care of the problem themselves by authorizing private persons to open private schools, including private vocational schools, and so forth.

In the same meeting room, Comrade Le Van Triet, deputy from Ho Chi Minh City, pointed to the contradiction between our population growth rate and our economic development level as the cause of current difficulties. He said a proper ratio requires that a 1-percent increase in the population be matched by a 4-percent growth in the national economy. But, while our population has gone up by 2 percent, the economy has increased by only 5.4 percent. In such a situation, it is inevitable that we still face numerous difficulties.

Comrade Le Van Triet expounded his two viewpoints as follows:

[Begin recording] In my opinion, the first point is how to make the concept of the party's resolution thoroughly understood. Namely, to extricate the economy from its present predicament, the state should not try to do everything for the people. Instead, it must devise a policy aimed at bringing into full play all sectors of the economy. Favorable conditions must be created for all sectors—from the state and collective sectors to the private, individual and family sectors—to do business. The same can be said of the party's viewpoint on how to deal with the current problem of a labor surplus. It must be solved on the basis of the state working out a mechanism, a policy that would create proper conditions for everyone to find his own way of making a living, to take care of his livelihood, and to attend to the well-being of society. I totally disagree with the report presented this morning by the committee [not further identified] on how to solve the labor problem. That way of problem-solving is a way in which the state helps solve problems for the people, not a way in which the state creates conditions for the people to take care of themselves. I see that the report is still permeated with this let-the-state-take-care-of concept.

The second point that I also disagree with in the report is the viewpoint that the budget should be concentrated in the hands of the state so that it can take care of the people's problems. The state does not need a big budget, nor does it need to concentrate a lot of money that will then be distributed or used to pursue unrealizable planned targets. The report put it this way: In 1989, on the basis of developing production and improving the circulation of goods, we will strive to mobilize about 25 percent of production-generated national income for the state budget in order to gradually reduce budget deficits. In my opinion, the question is whether we should concentrate all money in the state budget for the state to take care of and direct the economy or just mobilize the people's money at a certain level to enable the state to take care of general social tasks, leaving the amount not included in the budget to the people so that they can make investments, accumulate capital, and do business themselves. If we do not clarify this point, we will continue arguing about the rate of mobilization—should it be 23 or 25 percent?—and we may say, look, in the capitalist countries, they even mobilize up to 30 percent of the national income for the state budget. If we do not clarify this viewpoint, our argument will continue, and if it does, we will relapse into the state that was already criticized earlier by ourselves, that is, the state of dilly-dallying, hesitancy, and indecision.

These are some viewpoints that, in my opinion, if clarified, they can, together with the open reports of the Council of Ministers, help improve the situation in 1989. [end recording]

In the meeting room of the deputies from Ha Nam Ninh and Minh Hai Provinces, the legislators also discussed numerous aspects of implementation of the 1988 state plan and the orientation of economic development for 1989.

Commenting on concrete issues, Comrade Truong Xuan Kha, director of the Ha Nam Ninh Shipbuilding Enterprise was of the opinion that in 1988 our state developed many policies and systems concerning the grass-roots units' right to autonomy in production and business. Full accountings of operating costs in business operations has stimulated the development of production and set free part of the productive force. Thanks to this autonomy in production and business, there has been welcome competition in production, compelling production units to find ways to improve the quality of their products.

Comrade Truong Xuan Kha also observed: Last year, although production was still limited, it could partly meet the consumer demand. However, owing to the lack of coordination between state management organs and business accounting agencies, there was still confusion between the function of state management and that of business management.

Ha Nam Ninh and Minh Hai are two important agricultural production regions of the country owing to their strengths in the aquatic products industry. Therefore, the issues relating to the new policies and mechanism in agricultural production, including aquatic products output, have attracted the deputies' utmost attention. Comrade (Tin Hung), director of the Nam Can Aquatic Products Joint Venture of Minh Hai Province, dealt with several problems in our current policy on investment for the breeding of shrimp for export. He held that, by allowing the aquatic products sector to take care of its own financial problems, the state has proceeded in a positive direction and has opened the door for development. But the state's investments in shrimp raising have been limited, and some policies and systems are still restrictive and inconsistent. For example, producers are not allowed to set prices; they have to borrow capital at very high interest rates; and irrational foreign currency rates of exchange have impeded aquatic products production.

Comrade Duong Xuan Lac, chairman of the Xuan Tien Village People's Committee, Xuan Thuy District, Ha Nam Ninh Province, held that Political Bureau Resolution No. 10 has been enthusiastically received by the peasants. There have been many positive effects, but there have also been numerous problems that need to be dealt with urgently, such as the state of some families who accepted land for production but, due to their lack of experience in intensive farming or due to a difficult situation, have ended up with shortfalls in grain production. Another problem is that, as a result of the implementation of Resolution No. 10, there are no or few collective funds left, thus affecting implementation of the social welfare policy. In the past, Xuan Tien village was able to provide food for the elderly, war invalids, the parents of dead soldiers, and peasants too old to work, and so forth. However, today, there is no state allowance policy to provide for these people and there are no collective funds left to help them out.

Brunei Foreign Ministry Delegation Arrives
BK1412144988 Hanoi VNA in English 1440 GMT
14 Dec 88

[Text] Hanoi VNA Dec 14—A delegation of the Brunei Ministry for Foreign Affairs led by its standing secretary Dato Paduka Lim Jock Seng arrived here this afternoon for an official visit to Vietnam.

It was welcomed by Deputy Foreign Minister Tran Quang Co and other high-ranking officials of the Foreign Ministry.

Representatives of some ASEAN countries were also present.

Do Muoi Receives Official
BK1512155888 Hanoi VNA in English 1511 GMT
15 Dec 88

[Text] Hanoi VNA December 15—Chairman of the Council of Ministers Do Muoi received here today the visiting delegation of the Brunei Foreign Ministry led by its permanent secretary Dato Paduka Lim Jock Seng.

Also present at the reception was Deputy Foreign Minister Tran Quang Co.

Chairman Do Muoi welcomed the guests' visit and expressed his hope that the neighbouring relations of friendship and cooperation between Vietnam and Brunei would be further expanded, thus contributing to building Southeast Asia into a zone of peace, friendship and cooperation.

For his part, Permanent Secretary Dato Paduka Lim Jock Seng expressed his belief in the further development of the mutual understanding, friendship and cooperation between the two peoples.

TAP CHI QUOC PHONG TOAN DAN Contents
BK1512091988 Hanoi Domestic Service in Vietnamese
2330 GMT 11 Dec 88

[Summary] On the occasion of the VPA's 44th founding anniversary, TAP CHI QUOC PHONG TOAN DAN features an article by Senior Lieutenant General Dang Vu Hiep entitled: "Concerning the Principles Upon Which To Build the People's Armed Forces." "The objective of the article is to contribute some viewpoints to the draft document on amending and developing the party's military lines." The suggestions are based on both old and new lessons, and may serve as guiding principles for the Armed Forces in fulfilling their current task of building and defending the fatherland.

Next is an article by Major General Tran Xuan Truong entitled: "New Thinking About Socialism and Renovation of the Content of Socialist Education in the Armed Forces." The article deals with "some new concepts about socialism" and defines the "new requirements and contents of socialist indoctrination among members of the Armed Forces." These new requirements and contents include, among other things, "efforts to help cadres and soldiers learn something about objectives and ideals to be fulfilled, and ways to interpret labor and exploitation; the economic sectors; the party's economic policies and the state's mechanism of economic management, income distribution, and democracy and equality in a socialist society; and socialist culture and life style."

Also, in connection with the VPA's founding anniversary, TAP CHI QUOC PHONG TOAN DAN carries an article by Maj Gen Nguyen Dinh Uoc entitled: "Some Thoughts About the Challenges Facing our Armed Forces." According to the author, "for the past 40 years and more, the Armed Forces have undergone four types of challenges resulting from fierce wars, defeats, victories, and a complicated political situation." In conclusion, the article stresses the need for cadres and soldiers to further develop their revolutionary nature and fine traditions so they can firmly build and defend the socialist Vietnamese fatherland.

Under the title: "Improving the Work Efficiency of Military Schools," the journal publishes an article by Lt Gen Nguyen The Bon that provides an insight into the Central Military Party Committee resolution on military school-related work. The purpose of the resolution is to help renovate the contingent of military party cadres in accordance with the spirit of the sixth party congress resolution and the fifth party Central Committee resolution.

In its "Research" section, the journal carries an article by Lt Gen Prof Pham Hong Son entitled: "A Fighting Method To Be Applied to the War for National Defense," and an article entitled: "The Role of Science and Technology in Building the Armed Forces and Consolidating National Defense" by Hoang Dinh Phu, vice chairman of the State Science and Technology Committee.

Continuing to reflect the readers' responses to an article entitled "Survey of Soldiers' Meals" by Colonel Le Hoe that was published in the June 1988 issue of TAP CHI QUOC PHONG TOAN DAN, the journal runs articles by Pham Van Thu, vice chairman of the Hai Hung Provincial People's Committee; Colonel Le Doan Chau, of the Ministry of National Defense Financial Department; and Colonel Pham Kinh, of the Seventh Military Region.

In its feature "Military Experience and Traditions," the journal publishes an article entitled "Considering the People as the Root, an Ingredient of our Ancestors' National Policy of Building and Defending the Fatherland" by Captain Nguyen The Vi.

Vanuatu

Prime Minister Ignores Presidential Order

BK1612081388 Melbourne Overseas Service in English
0500 GMT 16 Dec 88

[Text] Vanuatu Prime Minister Father Walter Lini has ignored the declaration by the country's president, Mr Sokomanu, dissolving Parliament and ordering fresh elections.

Father Lini told a session of Parliament in Port Vila which has just been opened by the President Sokomanu that the president does not have the constitutional and legal power to take such action. The Parliament has responded to the prime minister's statement by voting to meet again tomorrow to continue consideration of government business including the national budget.

President Sokomanu has denied that his move was unconstitutional and said that if Father Lini wanted to test its validity, he should take the issue to the Supreme Court. The president said he would announce the interim government tonight and that would be mostly civilians. He said that if Father Lini was prepared to go to a general election, he would appoint him leader of caretaker administration.

Parliament has convened today for the first time since controversial by-election boycotted by the opposition. The president in his earlier speech criticized politicians on not finding a solution to the political impasse between the prime minister and his main rival, Mr Barak Sope. He said Vanuatu's economic problems were the result of the country's political turmoil. President Sokomanu said general elections will be held in February.

The president's announcement came after (task) police and paramilitary action formed the grounds for a big rally in support of Mr Sope outside the parliament building. AUSTRALIAN ASSOCIATED PRESS reports that troops belonging to the paramilitary Vanuatu Mobile Force broke up a demonstration led by Mr Sope and about 100 of his supporters.

Further Report

BK1612012488 Hong Kong AFP in English 0118 GMT
16 Dec 88

[Text] Port Vila, Dec 16 (AFP)—Vanuatu Parliament Friday [16 December] refused to recognise a presidential order that it be dissolved to make way for general elections in this politically troubled South Pacific state.

Prime Minister Walter Lini said the president did not have the power to dissolve the parliament and called on him to resign.

President George Sokomanu dissolved the Parliament as it opened for its budget session earlier Friday, saying that an interim government would be formed until general elections in February next year.

The 46-seat Parliament suspended standing orders before adjourning until Saturday morning.

Mr. Lini's cabinet is to meet Friday afternoon to discuss the situation.

The premier told Parliament that he would consider calling a meeting of the electoral college, which elects the president. Observers said this could lead to Mr. Sokomanu's dismissal.

President Sokomanu later told AGENCE FRANCE-PRESSE that he had been considering the move for some time and had been watching political events in the country since a landrights riot in May in which one person was killed.

"I wanted the political leaders to come to some sort of reconciliation, to see if they could work together, but the problems continued," Mr. Sokomanu said.

He said there was a constitutional clause that gave the president the power to dissolve parliament and that if the prime minister did not believe that power existed he should take it to the courts.

The president's move had the support of Maxime Carlot, leader of the opposition Union of Moderate Parties (UMP) whose 18 seats in parliament were declared vacant in July.

The UMP boycotted by-elections Monday to fill these seats, most of which went to the ruling Vanuak party, giving Mr. Lini nearly a two-thirds majority in the house.

Former Lini deputy Barak Sope joined the UMP's boycott and also tried to stage a demonstration in the capital prior to Friday's parliamentary sitting.

But his supporters were dispersed peacefully by heavily armed riot police.

Roads leading to the capital were blocked and cars were being searched for weapons, while police in riot gear manned barricades around parliament house.

Diplomats present at the opening session here said it was difficult to determine whether Vanuatu's Constitution allowed the country's president to dissolve Parliament.

Mr. Sokomanu said in his speech Friday that the nation's economy had been badly damaged by more than six months of internal party-line politics.

Investment and tourism in the former Anglo-French colony had been hard hit, he said.

Mr. Sokomanu called on the leaders of Vanuatu's political parties to begin talks aimed at reconciling their differences for the sake of the country.

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